

PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 11, 2017

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Bond Counsel, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the Town, interest on the Notes is excluded from gross income of the owners thereof for federal income tax purposes and is not an "item of tax preference" for purposes of the federal alternative minimum tax imposed on individuals and corporations; interest on the Notes is, however, included in "adjusted current earnings" for purposes of calculating the federal alternative minimum tax imposed on certain corporations. Bond Counsel is also of the opinion that, under existing statutes, interest on the Notes is exempt from personal income taxes imposed by the State of New York (the "State") and any political subdivision thereof (including The City of New York). No opinion is expressed regarding other federal or State tax consequences arising with respect to the Notes. See "TAX MATTERS" herein.

The Notes will NOT be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

**TOWN OF CLARKSTOWN
ROCKLAND COUNTY, NEW YORK**

\$11,172,905

**BOND ANTICIPATION NOTES – 2017
(the "Notes")**

Dated Date: December 26, 2017

Maturity Date: December 26, 2018

The Notes will constitute general obligations of the Town of Clarkstown (the "Town"), in the County of Rockland, New York and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes, and unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Town, subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York, as amended (See "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law" herein).

The Notes shall be redeemable prior to maturity on any date on or after June 29, 2018, at par plus accrued interest to the date of redemption upon the giving of notice which identifies the Notes to be redeemed, by mailing such notice to the registered holders thereof at their respective addresses as shown upon the registration books of the Fiscal Agent at least thirty (30) days prior to the date set for any such redemption. If notice of redemption shall have been given as aforesaid, the Notes so called for redemption shall become due and payable at the applicable redemption price on the redemption date designated in such notice, and interest on such Notes shall cease to accrue from and after such redemption date.

At the option of the purchaser(s), the Notes will be issued in registered form (i) registered in the name of the successful bidder(s) or (ii) registered book-entry form registered in the name of Cede & Co., as the partnership nominee for The Depository Trust Company ("DTC") as book-entry notes.

For those Notes registered to the purchaser, a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s).

Those Notes issued in registered book-entry form ("DTC Notes") will be delivered to DTC, which will act as the Securities Depository for the DTC Notes. A single note certificate will be issued for those DTC Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. Beneficial owners will not receive certificates representing their interest in the DTC Notes. (See "Book-Entry System" herein).

Payment of the principal of and interest on said DTC Notes will be paid in Federal Funds by the Town to Cede & Co., as the partnership nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the DTC Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "Book-Entry System" herein.

Interest on the Notes will be calculated on a 30-day month and 360-day year basis, payable at maturity.

Proposals for the Notes will be received until 11:00 A.M. (Prevailing Time) on December 20, 2017 at the offices of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Notes are offered when, as and if issued by the Town and accepted by the purchaser, subject to the final approving opinion of Harris Beach PLLC, White Plains, New York, Bond Counsel and certain other conditions. Munistat Services, Inc. has served as Municipal Advisor to the Town in connection with the issuance of the Notes. It is expected that delivery of the Notes in book-entry form will be made in New York, New York on or about December 26, 2017.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM "DEEMED FINAL" BY THE TOWN FOR THE PURPOSE OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE NOTES, AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

Dated: December , 2017

**TOWN OF CLARKSTOWN
ROCKLAND COUNTY, NEW YORK**

Town Hall
10 Maple Ave.
New City, New York 10956
Telephone: 845/639-2020
Fax: 845/639-2019

TOWN BOARD

George A. Hoehmann, Supervisor

Frank Borelli
Stephanie Hausner
John J. Noto
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Thomas Morr, CPA, Town Comptroller
Justin Sweet, Town Clerk
Lino Sciarretta, Esq., Town Attorney

* * *

BOND COUNSEL

Harris Beach PLLC
White Plains, New York

* * *

MUNICIPAL ADVISOR

MUNISTAT SERVICES, INC.

Municipal Finance Advisory Service

12 Roosevelt Avenue
Port Jefferson Station, N.Y. 11776
(631) 331-8888

E-mail: info@munistat.com
Website: <http://www.munistat.com>

No dealer, broker, salesman or other person has been authorized by the Town to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by the Town. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof.

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OFFICIAL STATEMENT

Relating to

TOWN OF CLARKSTOWN ROCKLAND COUNTY, NEW YORK

\$11,172,905 BOND ANTICIPATION NOTES – 2017

This Official Statement, including the cover page and appendices thereto, has been prepared by the Town and presents certain information relating to the Town's \$11,172,905 Bond Anticipation Notes – 2017 (the "Notes"). All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State") and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

THE NOTES

Description of the Notes

The Notes will be dated their date of delivery and bear interest from that date until December 26, 2018, the maturity date, at the annual rate or rates as specified by the purchaser(s) of the Notes. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

At the option of the purchaser(s), the Notes will be issued in registered form (i) registered in the name of the successful bidder(s) or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee for DTC.

If the Notes are issued in registered form registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town at such bank(s) or trust company(ies) located and authorized to do business in the State as selected by the successful bidders.

If the Notes are issued in registered book-entry form, such notes ("DTC Notes") will be delivered to DTC, which will act as securities depository for the DTC Notes. Beneficial owners will not receive certificates representing their interest in the DTC Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. A single note certificate will be issued for those DTC Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said DTC Notes will be paid in Federal Funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the DTC Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "Book-Entry-Only System" herein.

The Notes shall be redeemable prior to maturity on any date on or after June 29, 2018, at par plus accrued interest to the date of redemption upon the giving of notice which identifies the Notes to be redeemed, by mailing such notice to the registered holders thereof at their respective addresses as shown upon the registration books of the Fiscal Agent at least thirty (30) days prior to the date set for any such redemption. If notice of redemption shall have been given as aforesaid, the Notes so called for redemption shall become due and payable at the applicable redemption price on the redemption date designated in such notice, and interest on such Notes shall cease to accrue from and after such redemption date.

The Town will act as Paying Agent for the Notes. Paying agent fees, if any, will be paid by the purchaser. The Town's contact information is as follows: Thomas Morr, CPA, Town Comptroller, Town of Clarkstown, 10 Maple Avenue, New City, New York 10956, telephone number 845/639-2020, email: t.morr@clarkstown.org.

Authorization and Purpose

The Notes are being issued pursuant to the Constitution and laws of the State, including the Local Finance Law, and various bond resolutions duly adopted by the Town Board on their respective dates, authorizing original financing for the following purposes:

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Amount to be Issued</u>
09/27/2016	Acquisition of Lane - West Nyack Revitalization	\$ 210,000	\$ 210,000
10/25/2016	Town Hall Repairs	98,000	98,000
11/09/2016	Renovations to Germonds Pool Complex	55,000	55,000
11/09/2016	Reconstruction of the Traphagen House	27,000	27,000
11/09/2016	Acquisition of Land for Open Space - Marydell	300,000	300,000
12/15/2016	Improvements to the Town's 911 Dispatch System	590,000	590,000
01/31/2017	Demarest Avenue Retaining Wall	35,000	35,000
02/07/2017	Acquisition of Police Vehicles	300,000	300,000
03/07/2017	Road Improvements	900,000	900,000
03/07/2017	Road Improvements	150,000	150,000
03/07/2017	Road Improvements	1,950,000	1,950,000
03/07/2017	Installation of LED Lights at Congers Lake Park	25,000	25,000
04/04/2017	Acquisition of Vehicles	91,000	91,000
04/04/2017	Germonds Pool Complex Building Renovations	371,000	371,000
04/04/2017	Acquisition of Asphalt Drum Roller	55,000	55,000
04/25/2017	Lake Nanuet Parking Lot Improvements	59,000	59,000
04/25/2017	Germonds Park Drainage Improvements	13,500	13,500
04/25/2017	Acquisition of Utility Tractor	49,000	49,000
06/06/2017	Replacement of Catch Basin Structure	14,200	14,200
06/06/2017	HVAC Improvements at the Police/Court Facility	28,000	28,000
06/27/2017	Drainage Improvements - Lindberg Lane & Red Hill Road	205,620	205,620
06/27/2017	Acquisition of Equipment for the TV Studio	30,000	30,000
08/15/2017	Acquisition of Highway Equipment	55,000	55,000
08/15/2017	HVAC Improvements at the Recreation and Parks Station	13,500	13,500
08/15/2017	Acquisition of Equipment for Recreation and Parks Dept.	15,000	15,000
09/12/2017	Highway Department Building Roof Improvements	125,000	125,000
10/10/2017	Crabapple Lane Drainage Improvements	152,950	152,950
10/10/2017	Toni Court Stream Channel Improvements	68,880	68,880
10/10/2017	Acquisition of Trucks - Highway Department	1,435,000	896,875
10/10/2017	Acquisition of Surveillance Cameras - Highway Department	43,000	43,000
10/10/2017	West Nyack Road Improvements	140,000	140,000
11/20/2017	Street Community Center Renovations	4,406,380	4,106,380
	TOTAL	\$ 12,011,030	\$11,172,905

Nature of Obligation

Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof.

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest the Town has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Town subject to applicable statutory limits (See "REAL PROPERTY TAX INFORMATION - Tax Levy Limitation Law" herein).

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and the State is specifically precluded from restricting the power of the Town to levy taxes on real estate therefor. The State Constitution requires the Town to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year. In addition, the State Constitution requires the Town to provide in each year by appropriation for the payment of all installments of principal of the Notes which will become due and payable in such year.

Remedies Upon Default

Under current law, provision is made for contract creditors, including bond and noteholders of the Town, to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of current funds or the proceeds of a tax levy.

Remedies for enforcement of payment are not expressly included in the Town's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a bondholder's or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

The State has consented that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts including judicial control over identifiable and unidentifiable creditors.

In recent times, certain events and legislation affecting remedies on default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders and noteholders such courts might hold that future events, including financial crises as they may occur in the State and in municipalities of the State, require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

No principal or interest payment on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

Book-Entry System

DTC will act as securities depository for any Notes issued as book-entry notes ("DTC Notes"). Such DTC Notes will be issued as fully-registered securities, registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). Standard & Poor’s assigns a rating of “AA+” to DTC. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the DTC Notes with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of the DTC Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the DTC Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of the DTC Notes may wish to ascertain that the nominee holding the DTC Notes for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the DTC Notes unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town on the payable date, in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC (nor its nominee) or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC), and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Source: The Depository Trust Company, New York, New York.

DTC may discontinue providing its services as depository with respect to the DTC Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered to the Noteowners. The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In such event, note certificates will be printed and delivered to the Noteowners.

The information contained in the above section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the Town takes no responsibility for the accuracy thereof. In addition, the Town will not have any responsibility or obligation to participants, to indirect participants or to any beneficial owner with respect to: (i) the accuracy of any records maintained by DTC, and participant or any indirect participant; (ii) the payments by DTC or any participant or any indirect participant of any amount with respect to the principal of, or premium, if any, or interest on the DTC Notes or (iii) any notice which is permitted or required to be given to Noteowners.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, and a replacement book-entry securities depository is not appointed, the following provisions will apply: the Notes will be issued in registered form in denominations of \$5,000, or integral multiples thereof. Principal of and interest on the Notes when due will be payable at the principal corporate trust office of a bank or trust company to be named by the Town as the fiscal agent; certificated Notes may be transferred or exchanged at no cost to the owner of such notes at any time prior to maturity at the corporate trust office of the fiscal agent for note of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the certificate of the Supervisor authorizing the sale of the Notes and fixing the details thereof and in accordance with the Local Finance Law.

THE TOWN

There follows in this Statement a brief description of the Town, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and expenditures and general and specific funds.

General Information

The Town is located in Rockland County, New York. The County Seat is located within the Town in New City. The Town encompasses an area of approximately 40.9 square miles, is the second largest town in the County, and is located about 20 miles north of the George Washington Bridge. It is bordered on the east by the Hudson River, on the north by the Town of Haverstraw, on the west by the Town of Ramapo and on the south by the Town of Orangetown. The Town has developed primarily as a residential area close to New York City; however, it also includes significant commercial, industrial and governmental operations.

The population of the Town is 86,334 according to the U.S. Census population estimates for 2015. The Town covers approximately one-fourth of the area of the County and includes the Village of Upper Nyack and portions of the Villages of Nyack and Spring Valley and highly developed unincorporated areas such as New City, Nanuet, Congers, Central Nyack and West Nyack, Valley Cottage and Bardonia.

Residential development includes single family homes, apartment complexes and condominiums. Commercial and industrial activity is centered in the above-named communities. Residents find employment in the Town or commute to New York City, Westchester County, Northern New Jersey or other nearby areas.

Rail transportation is provided by Conrail. Commuter and local bus service is provided by several carriers. Major highways serving the Town include the New York State Thruway (Interstate Route 87), the Palisades Interstate Parkway, U.S. Route 9W, and New York State Routes 59, 303 and 304.

Utilities and Other Services

Electric and gas service is provided to the Town by Orange & Rockland Utilities. Water is provided by Suez Water of New York and village financed municipal water systems. Sewer collection and treatment is provided by the Town and County respectively. Police protection is provided by State, County and Town police; fire protection is provided by various fire districts and village fire departments.

Government

The Town was established in 1791. Five independently governed school districts are located wholly or partially within the Town, and rely on their own taxing powers granted by the State to raise revenues. The school districts use the Town's assessment roll as their basis for taxation of property located within the Town.

Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws generally applicable to the Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may from time to time adopt local laws.

The legislative power of the Town is vested in the Town Board, which consists of five members, including the Supervisor, who is the chief executive officer of the Town, elected for a term of two years. The four other members of the Town Board are elected to two-year terms. The Supervisor is elected at large; council members are elected from four councilmatic districts. The Town adopted a local law in 2014 effective January 1, 2015, establishing term limits for any official elected after January 1, 2015 to eight years. The Town's other elected officials include the Superintendent of Highways and the Town Clerk. Its appointed officials include the Town Comptroller, Director of Finance, Court Clerk and the Town Attorney. Town responsibilities in its unincorporated areas include law enforcement, building inspection, planning and zoning, parks and recreational activities, paving and street lighting, drainage, traffic control, and water and sewerage collection facilities.

Financial Organization

The Supervisor is the chief fiscal officer of the Town. The Comptroller is the accounting officer of the Town, and his duties include administration, direction and control of budget and insurance, accounts payable and receivable and payroll. The Comptroller is also responsible for drafting and preparing the budget and securing and administering State and Federal grants.

Employees

The Town provides services through approximately 436 full-time employees and 159 part-time employees, some of whom the following are represented by organized labor.

<u>Name of Union</u>	<u>Approx. No. of Members</u>	<u>Expiration Date of Contract</u>
Civil Service Employees Association - Full Time	267	12/31/2019
Civil Service Employees Association - Part Time	52	12/31/2019
Patrolmen's Benevolent Association	146	12/31/2017
Special Bargaining Unit	1	12/31/2014 ^a
Town Assessor Contractual Agreement (Acting)	1	09/30/2019
Police Officers (Chiefs and Captains)	3	12/31/2015 ^a

a. Currently in negotiations.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Characteristics

Since 1970, the Town has had a population trend, as compared to the County and the State, as indicated below:

<u>Year</u>	<u>Town of Clarkstown</u>	<u>County of Rockland</u>	<u>State of New York</u>
1990	79,346	265,475	17,990,455
2000	82,082	286,753	18,976,457
2010	84,137	311,687	19,378,102
2015	86,334	320,688	19,673,174

Source: U.S. Bureau of the Census.

Median Income of Families

	Median Income of Families			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2015^a</u>
Town of Clarkstown	\$68,741	\$91,827	\$112,563	\$121,696
County of Rockland	60,479	78,806	96,836	98,801
State of New York	39,741	51,691	67,405	71,419

Per Capita Money Income

	Per Capita Money Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2015^a</u>
Town of Clarkstown	\$23,671	\$34,430	\$42,042	\$48,239
County of Rockland	20,195	28,082	34,304	34,647
State of New York	16,501	23,389	30,791	34,297

Source: United States Department of Commerce, Bureau of the Census

a. Based on American Community Survey 5-Year Estimates (2011-2015)

Selected Listing of Larger Employers

<u>Name</u>	<u>Type</u>	<u>Estimated Number Of Employees</u>
County of Rockland	Government	1,943
Jawonio Inc.	Non-Profit Organization	1,100
BOCES of Rockland County	Education	933
A&T Healthcare	Health Related Facility	800
ARC of Rockland	Non-Profit Organization	715
Camp Venture	Non-Profit Organization	680
Town of Clarkstown	Local Government	520
Intercos America	Commercial	450
Friedwald Center for Rehab & Nursing	Health Related Facility	437
Rockland Bakery	Bakery	400

Source: Town Officials.

Unemployment Rate Statistics

Unemployment statistics are available for the Town, the County and the State, as set forth below. The information set forth below with respect to the County and the State is included for information purposes only.

<u>Annual Averages</u>	<u>Town of Clarkstown (%)</u>	<u>County of Rockland (%)</u>	<u>State of New York (%)</u>
2012	7.0	7.3	8.5
2013	5.9	6.3	7.7
2014	4.9	5.1	6.3
2015	4.4	4.5	5.3
2016	4.1	4.2	4.8
2017 (10 Month Average)	4.2	4.3	4.6

Source: Department of Labor, State of New York

INDEBTEDNESS OF THE TOWN

Constitutional Requirements

The State Constitution limits the power of the Town (as well as other municipalities and school districts of the State) to issue obligations and contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to the Town and the Notes:

Purpose and Pledge. The Town shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or the weighted average period of probable usefulness thereof; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Town has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The Town is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Town so as to prevent abuses in the exercise of such powers; however, as has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law. (See "REAL PROPERTY TAX INFORMATION - *Tax Levy Limitation Law*" herein).

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the Town to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Town authorizes the incurrence of indebtedness by the adoption of a bond resolution approved by at least two-thirds of the members of the Town Board. Certain of such bond resolutions may be subject to permissive referendum, or may be submitted to the Town voters at the discretion of the Town Board. In the event that the Town Board determines to subject the bond resolution to voter approval by mandatory referendum, approval by only a three-fifths vote of the Town Board is required.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except for one resolution adopted by the Town on November 20th, the Town has complied with such requirements with respect to the bond resolution authorizing the issuance of the Notes.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits bond anticipation notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such bonds were originally issued. (See "*Payment and Maturity*" under "*Constitutional Requirements*" herein).

The Town Board, as the finance board of the Town, has the power pursuant to the Local Finance Law to adopt tax and revenue anticipation note resolutions by majority vote. Such resolutions may authorize the issuance of tax or revenue anticipation notes in an aggregate principal amount necessary to fund anticipated cash flow deficits, but, in no event, exceeding the amount of taxes or moneys estimated to be received by the Town, less any tax or revenue anticipation note previously issued and less the amount of such taxes or revenues previously received by the Town.

In addition, under each bond resolution, the Town Board may delegate, and has delegated, power to issue and sell bonds and notes, to the Supervisor, the chief fiscal officer of the Town.

In general, the Local Finance Law contains similar provisions providing the Town with power to issue general obligation revenue anticipation notes, tax anticipation notes, deficiency notes and budget notes.

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the aggregate principal amount thereof outstanding shall not exceed seven per centum of the most recent five-year average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The statutory method for determining the full valuation is by dividing the assessed valuation of taxable real estate by the respective equalization rates assigned to each assessment roll. Such equalization rates are the ratios which each of such assessed valuations bear to the respective full valuation of such year, as assigned by the Office of Real Property Tax Services. The State Legislature is required to prescribe the manner by which such ratios shall be determined. Average full valuation is determined by adding the full valuations for the most recently completed assessment roll and the four immediately preceding assessments rolls and dividing the resulting sum of such addition by five.

There is no constitutional limitation on the amount that may be raised by the Town by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limitation Law imposes a statutory limitation on the power of the Town to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limitation Law. (See “REAL PROPERTY TAX INFORMATION - *Tax Levy Limitation Law*,” herein).

The following pages set forth certain details with respect to the indebtedness of the Town.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin

(As of December 11, 2017)

<u>Fiscal Year Ending December 31:</u>	<u>Assessed Valuation</u>	<u>State Equalization Rate (%)</u>	<u>Full Valuation</u>
2014	\$4,119,509,897	34.0	\$12,116,205,579
2015	4,097,111,296	34.0	12,050,327,341
2016	4,104,837,740	33.0	12,438,902,242
2017	4,155,157,137	33.3	12,496,713,194
2018	4,146,896,948	33.0	<u>12,566,354,388</u>
Total Five Year Full Valuation			\$61,668,502,745
Average Five Year Full Valuation			12,333,700,549
Debt Limit - 7% of Average Full Valuation			863,359,038
Inclusions:			
Outstanding Bonds:			
General Purposes ¹			99,325,000
Sub-Total			99,325,000
Bond Anticipation Notes			0
Total Inclusions			<u>99,325,000</u>
Exclusions:			
Bond Appropriations			1,225,000
Total Exclusions			<u>1,225,000</u>
Total Net Indebtedness Before the Issuance of the Notes			<u>98,100,000</u>
The Notes			11,172,905
Less: BANs to be Redeemed by the Issuance of the Notes			0
Net Effect of the Notes			<u>11,172,905</u>
Total Net Indebtedness After the Issuance of the Notes			<u>109,272,905</u>
Net Debt Contracting Margin			<u><u>\$754,086,133</u></u>
Percent of Debt Limit Exhausted			12.66%

a. See “*Palisades Center Properties Tax Certiorari*” herein.

Debt Service Requirements - Outstanding Bonds^a

Fiscal Year Ending <u>December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$11,774,541	\$3,164,135	\$14,938,676
2018	11,615,000	2,848,919	14,463,919
2019	10,920,000	2,513,994	13,433,994
2020	10,410,000	2,192,806	12,602,806
2021	9,120,000	1,909,668	11,029,668
2022	8,330,000	1,640,644	9,970,644
2023	7,900,000	1,395,806	9,295,806
2024	6,610,000	1,177,725	7,787,725
2025	6,185,000	982,175	7,167,175
2026	5,605,000	813,669	6,418,669
2027	4,725,000	652,550	5,377,550
2028	4,480,000	511,788	4,991,788
2029	3,345,000	376,762	3,721,762
2030	3,050,000	274,375	3,324,375
2031	2,650,000	183,400	2,833,400
2032	1,340,000	97,562	1,437,562
2033	865,000	53,206	918,206
2034	700,000	20,437	720,437
2035	250,000	4,375	254,375
Totals:	<u>\$109,874,541</u>	<u>\$20,813,992</u>	<u>\$130,688,533</u>

a. Does not include payments made to date.

b. Rounded to the nearest dollar; for issues sold to NYS Environmental Facilities Corp., interest included does not take into account estimated subsidies and annual administrative charges.

Details of Short-Term Indebtedness Outstanding
(As of December 11, 2017)

As of the date of this Official Statement, the Town has no short-term debt outstanding.

Capital Project Plans

The Town is generally responsible for providing services as required to the citizens on a Town-wide basis. The Town maintains a Town road system necessitating road resurfacing and improvements and the acquisition of machinery and equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. In addition, the Town is regularly acquiring and improving recreation facilities and maintaining Town-owned buildings and other facilities and constructing improvements to downtown areas which require capital outlays or borrowings. The Town also provides drainage improvements. The Town also has a program for the acquisition of open space for which bonds and notes have been authorized and issued. Needs for capital funding for the above described projects for which the Town has responsibility are anticipated to be authorized by the Town Board pursuant to its annual Capital Plan.

The following represents the Town's capital improvement needs over the next several years and the expected amounts to be borrowed.

<u>Year</u>	<u>Amount</u>
2018	\$11,100,000
2019	10,400,000
2020	9,900,000
2021	5,800,000

Authorized but Unissued Debt

The following represents the Town's authorized but unissued debt outstanding.

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Authorized But Unissued</u>
12/14/2010	Heaton's Pond Drainage Improvements	\$ 540,000		\$ 540,000
04/12/2011	Phillips Hill Road Culvert Replacement	225,000		225,000
07/02/2013	Drainage Improvements - Central Nyack	10,360,000	10,140,000	220,000
09/10/2013	Plans for West Nyack Stormwater Management	450,000		450,000
11/05/2014	West Nyack Downtown Revitalization	6,710,000	1,100,000	5,610,000
09/27/2016	Acquisition of Lane - West Nyack Revitalization	210,000		210,000
10/25/2016	Improvements to the 9/11 Memorial Courtyard	98,000		98,000
11/09/2016	Renovations to Germonds Pool Complex	55,000		55,000
11/09/2016	Reconstruction of the Traphagen House	27,000		27,000
11/09/2016	Acquisition of Land for Open Space - Marydell	300,000		300,000
12/15/2016	Improvements to the Town's 911 Dispatch System	590,000		590,000
01/31/2017	Demarest Avenue Retaining Wall	35,000		35,000
02/07/2017	Acquisition of Police Vehicles	300,000		300,000
03/07/2017	Road Improvements	900,000		900,000
03/07/2017	Road Improvements	150,000		150,000
03/07/2017	Road Improvements	1,950,000		1,950,000
03/07/2017	Installation of LED Lights at Congers Lake Park	25,000		25,000
04/04/2017	Acquisition of Vehicles	91,000		91,000
04/04/2017	Germonds Pool Complex Building Renovations	371,000		371,000
04/04/2017	Acquisition of Asphalt Drum Roller	55,000		55,000
04/25/2017	Lake Nanuet Parking Lot Improvements	59,000		59,000
04/25/2017	Germonds Park Drainage Improvements	13,500		13,500
04/25/2017	Acquisition of Utility Tractor	49,000		49,000
05/16/2017	Replacement of Sanitary Sewer Pump Stations	161,500		161,500
06/06/2017	Replacement of Catch Basin Structure	14,200		14,200
06/06/2017	HVAC Improvements at the Police/Court Facility	28,000		28,000
06/27/2017	Plans for Improvements to the Street Community Center	226,000		226,000
06/27/2017	Drainage Improvements - Lindberg Lane & Red Hill Road	205,620		205,620
06/27/2017	Acquisition of Equipment for the TV Studio	30,000		30,000
08/15/2017	Acquisition of Highway Equipment	55,000		55,000

Authorized but Unissued Debt - Continued

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Authorized But Unissued</u>
08/15/2017	HVAC Improvements at the Recreation and Parks Station	\$ 13,500		\$ 13,500
08/15/2017	Plans for Improvements to the Street Community Center	72,000		72,000
08/15/2017	Acquisition of Equipment for Recreation and Parks Dept.	15,000		15,000
09/12/2017	Highway Department Building Roof Improvements	125,000		125,000
10/10/2017	Crabapple Lane Drainage Improvements	152,950		152,950
10/10/2017	Toni Court Stream Channel Improvements	68,880		68,880
10/10/2017	Acquisition of Trucks - Highway Department	1,435,000		1,435,000
10/10/2017	Acquisition of Surveillance Cameras - Highway Department	43,000		43,000
10/10/2017	West Nyack Road Improvements	140,000		140,000
11/20/2017	Plans for Street Community Center	348,215		348,215
11/20/2017	Street Community Center Renovations	4,406,380		4,406,380
12/14/2017	Plans for Replacement of Bathhouse/Lifeguard Building	314,000		314,000
12/14/2017	Purchase of Land - Mountain View Avenue	245,000		245,000
	TOTAL	\$31,662,745	<u>\$11,240,000</u>	\$20,422,745

- a. It is expected that grant funds, or other sources of revenue may be received by the Town in connection with these projects and any grant funds are authorized to be applied toward the cost of said project thereby reducing the amount of funding necessary from the issuance of bonds to finance said project.
- b. A portion of such authorized but unissued amount in the amount of \$11,172,905 will be financed by the issuance of the Notes. See "Authorization and Purpose" herein.

Trend of Town Indebtedness

The following table represents the trend of outstanding indebtedness not including refunded bonds of the Town at the end of the last five preceding fiscal years.

	<u>Fiscal Year Ending December 31:</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Outstanding End of Year:					
Bonds	\$102,418,000	\$108,935,000	\$116,423,500	\$114,182,740	\$109,874,541
BANs	<u>335,000</u>	<u>5,200,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	<u>\$102,753,000</u>	<u>\$114,135,000</u>	<u>\$116,423,500</u>	<u>\$114,182,740</u>	<u>\$109,874,541</u>

Underlying and Overlapping Indebtedness of Political Subdivisions Within the Town

In addition to the Town, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Town. The estimated applicable outstanding indebtedness of such political subdivisions is as follows:

Calculation of Estimated Overlapping and Underlying Indebtedness

<u>Overlapping Units</u>	<u>Date of Report</u>	<u>Percentage Applicable (%)</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
County of Rockland	03/14/2017	34.78%	\$202,759,706	\$172,478,499
Village of:				
Nyack	11/14/2017	15.00	1,091,250	905,250
Spring Valley	07/19/2016	10.00	1,007,700	964,500
Upper Nyack	11/01/2017	100.00	2,835,000	2,670,000
School District:				
Clarkstown CSD	07/02/2017	100.00	33,670,000	15,151,500
East Ramapo CSD	04/02/2017	10.32	2,429,887	1,069,150
Nanuet CSD	06/30/2016	71.98	24,860,267	13,673,147
Nyack CSD	06/30/2017	59.75	12,562,438	7,034,965
Fire Districts:				
Central Nyack	12/31/2016	100.00	0	0
Congers	06/20/2017	100.00	8,350,000	8,350,000
East Spring Valley	12/31/2016	100.00	470,000	470,000
Moleston	06/23/2017	100.00	12,000,000	12,000,000
Nanuet	06/21/2017	100.00	13,950,000	13,950,000
New City	12/31/2016	100.00	0	0
Rockland Lake	12/31/2016	100.00	0	0
Valley Cottage	12/31/2016	100.00	0	0
West Nyack	12/31/2016	100.00	0	0
Totals			<u>\$315,986,248</u>	<u>\$248,717,011</u>

Sources: Annual Reports of the respective units for the most recently completed fiscal year on file with the Office of the State Comptroller or more recently published Statements.

Debt Ratios

	<u>Amount</u>	<u>Per Capita^a</u>	<u>Percentage of Full Value (%)^b</u>
Total Direct Debt	\$110,303,570	\$1,278	0.88%
Net Direct Debt	109,289,605	1,266	0.87
Total Direct & Applicable Total Overlapping Debt	426,289,818	4,938	3.41
Net Direct & Applicable Net Overlapping Debt	358,006,616	4,147	2.86

a. The estimated population of the Town is 86,334 according to the 2015 U.S. Census.

b. The full valuation of taxable real property in the Town for 2017 is \$12,496,713,194.

FINANCES OF THE TOWN

Financial Statements and Accounting Procedures

The Town maintains its financial records in accordance with the Uniform System of Accounts for Towns prescribed by the State Comptroller. The financial records of the Town are audited by independent accountants. The last such audit made available for public inspection covers the fiscal year ended December 31, 2016. A copy of such report is attached as Appendix B. The Town also prepares an Annual Financial Update Report Document each year, most recently for fiscal year ended December 31, 2016. In addition, the financial affairs of the Town are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Town has complied with the requirements of various State and Federal statutes.

Fund Structure and Accounts

The Town utilizes fund accounting to record and report its various service activities. A fund represents both a legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

There are three basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) proprietary funds that account for operations of a commercial nature; and (3) fiduciary funds that account for assets held in a trustee capacity. Account groups, which do not represent funds, are used to record fixed assets and long-term obligations that are not accounted for in a specific fund.

The Town presently maintains the following governmental funds: General Fund, Highway Fund, Special Districts Funds, and the Capital Projects Fund. Fiduciary funds consist of a Trust and Agency Fund. There are no proprietary funds. The Town's financial statements also include a component unit which accounts for the operations of an apartment complex located within the Town. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 365 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, sanitary landfill post closure costs, installment purchases, judgments and claims, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Investment Policy

Pursuant to the statutes of the State of New York and its adopted Investment Policy, the Town is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts in, or certificates of deposit issued by a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller in tax anticipation notes or revenue anticipation notes issued by any municipalities, school district, or district corporation, other than those notes issued by the Town; (6) certificates of participation issued by political subdivisions of the State, as those terms are defined in the law; (7) obligations of a New York public corporation which are made lawful investments for the Town pursuant to the enabling laws of such public corporation; or (8) in the case of moneys held in certain reserve funds established by the Town pursuant to law, in obligations of the Town. Any investments made by the Town pursuant to law are required to be payable or redeemable at the option of the Town within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the

proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. These statutes also require that the Town's investments, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in custody of a bank or trust company in the State. All such investments held in the custody of a bank or trust company must be held pursuant to a written custodial agreement as that term is defined in the law.

Collateral is required for demand deposit, money market accounts and certificates of deposit not covered by Federal deposit insurance and the eligible securities utilized for such collateral must be held by a third party financial institution, pursuant to security and custodial agreements. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and its municipalities and school districts.

The Town maintains a list of financial institutions and dealers approved for investment purposes and establishes appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Town conducts business must be credit worthy. Banks are required to provide their most recent Consolidated Report of Condition (Call Report) at the request of the Town. Security dealers not affiliated with a bank are required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The chief fiscal officer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

The Town Comptroller is authorized to contract for the purpose of investments: (1) directly, including through a repurchase agreement, from an authorized trading partner, (2) by participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board; and (3) by utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the Town, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Town by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Town, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Town a perfected interest in the securities.

Repurchase agreements are authorized subject to the following restrictions: (1) all repurchase agreements must be entered into subject to a Master Repurchase Agreement; (2) trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers; (3) obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America; (4) no substitution of securities will be allowed; and (5) the custodian shall be a party other than the trading partner.

Budgetary Procedures

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before August 15th. After reviewing these estimates, the budget officer prepares a tentative budget which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of September. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing which must be held on or before October 5th. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board become the preliminary budget. A public hearing, notice of which must be duly published in the Town's official newspaper, on the preliminary budget is generally required to be held on the Thursday immediately following the general election. At such hearing, any person may express his

opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than November 20th, at which time, the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Supervisor who is assisted in this area by the Town Comptroller. However, any changes or modifications to the annual budget including the transfer of appropriations among line items must be approved by resolution of the Town Board. (See also "REAL PROPERTY TAX INFORMATION - *Tax Levy Limitation Law*" herein).

Budget Summaries for the 2017 and 2018 fiscal years may be found in Appendix A, hereof.

Financial Operations

The Supervisor functions as the chief fiscal officer as provided in Section 2 of the Local Finance Law; in this role, the Supervisor is responsible for the Town's accounting and financial reporting activities. Pursuant to Section 30 of the Local Finance Law, the Supervisor has been authorized to issue or renew certain specific types of notes. As required by law, the Supervisor must execute an authorizing certificate which then becomes a matter of public record.

The Town Board, as a whole, serves as the finance board of the Town and is responsible for authorizing, by resolution, all material financial transactions such as operating and capital budgets and the issuance of bonds or notes.

Town finances are operated primarily through the General and Special Revenue Funds. The General Fund receives most of its revenue from real property tax and State aid. Current operating expenditures are paid from these funds subject to available appropriations. The Special Revenue Funds are made up of the Town outside Village, Highway, Sewer, Sanitation, Lighting, Ambulance and Water Funds. The primary source of income for these districts comes from special assessments levied against district properties at the same time real estate taxes are levied. Capital projects and equipment purchases are accounted for in special capital projects funds. The Town observes a calendar year (January 1 through December 31) for operating and reporting purposes.

The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The most current applicable report of the State Comptroller designates the Town as "No Designation" (Score: 28.8%).

Revenues

The Town receives most of its revenues from a real property tax on all non-exempt property situated within the Town and from State Aid. A summary of such revenues for the five most recently completed fiscal years may be found in Appendix A. (See "*Real Property Tax Information*" herein).

State Aid

The Town receives financial assistance from the State. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in this year or future years, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

Based on the audited financial statements of the Town, the Town received approximately 4.34% of its total General Fund operating revenue from State aid in 2016. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and, in fact, the State has reduced funding to municipalities and school districts in certain years in order to balance its own budget.

Although the Town cannot predict at this time whether there will be any delays and/or reductions in State aid in the current year or in future fiscal years, the Town may be able to mitigate the impact of any delays or reductions by reducing expenditures, increasing revenues appropriating other available funds on hand, and/or by any combination of the foregoing.

The following table sets forth the percentage of the Town's General Fund revenue comprised of State aid for each of the fiscal years 2012 through 2016, inclusive and the amount budgeted for the fiscal years ending 2017 and 2018.

Fiscal Year Ending <u>December 31:</u>	<u>Total Revenue</u>	<u>State Aid</u>	<u>State Aid to Revenues (%)</u>
2012	\$ 89,604,629	\$3,893,626	4.35
2013	93,259,337	3,685,098	3.95
2014	96,649,990	2,758,279	2.85
2015	101,294,823	3,394,264	3.35
2016	100,253,373	4,350,808	4.34
2017 (Budgeted)	102,989,181	3,720,000	3.61
2018 (Budgeted)	104,779,727	3,864,000	3.69

a. Includes appropriation of fund balance and interfund transfers.

Expenditures

The major categories of expenditure for the Town are General Government Support, Public Safety, Transportation, Economic Assistance and Opportunity, Home and Community Services, Culture and Recreation, Employee Benefits and Debt Service. A summary of the expenditures for the five most recently completed fiscal years may be found in Appendix A hereof.

Status and Financing Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") or the State and Local Police and Fire Retirement System ("PFRS" and together with ERS, the "Retirement System"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service, except for "Tier 6" employees, as discussed below, whose benefits vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1, 2010 must contribute three percent of their gross annual salary towards the costs of retirement

programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, a new Tier 5 was created, which was effective for new ERS employees hired on or after January 1, 2010. New ERS employees in Tier 5 contribute 3% of their salaries to the pensions. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

Pension reform legislation changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with required payment until after the budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. Legislation also required a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

In addition, the pension payment date for all local governments was changed from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

On March 16, 2012, the new Tier 6 pension program was established, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

Members of the PFRS are divided into four tiers. The plans adopted for PFRS employees are noncontributory for Tier 1 and Tier 2 employees. PFRS members that were hired between July 1, 2009 to January 8, 2010 are currently in Tier 3, which has a 3% employee contribution rate by members. There is no Tier 4 in PFRS. PFRS members hired after January 9, 2010 are in Tier 5 which also requires a 3% employee contribution. PFRS members hired after April 1, 2012 are in Tier 6, which also originally has a 3% contribution requirement for members for fiscal year 2012-2013; however, as of April 1, 2013, Tier 6 PFRS members are required to contribute a specific percentage of their annual salary, as follows, until retirement or until the member has reached 32 years of service credit, whichever occurs first: \$45,000.00 or less contributes 3%; \$45,000.01 to \$55,000.00 contributes 3.5%; \$55,000.01 to \$75,000.00 contributes 4.5%; \$75,000.01 to \$100,000.00 contributes 5.75%; and more than \$100,000.00 contributes 6%.

Due to significant capital market declines in the past, the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contribution rate for the State's Retirement System continues to be higher than the minimum contribution rate established in the past. The State calculates contribution amounts based upon a five-year rolling average. As a result, contribution rates are expected to remain higher than the minimum contribution rates set by past legislation. To mitigate the expected increases in the employer contribution rate, various forms of legislation has been enacted that would permit local governments to borrow a portion of their required payments from the State pension plan.

Due to prior poor performance of the investment portfolio of the Retirement System, the employer contribution rates for required pension contributions has increased. To help mitigate the impact of such increases, legislation has been enacted that permits local governments and school districts to amortize a portion of such contributions. The Town has elected to amortize certain contribution costs. As of December 31, 2016, the principal and interest payments to maturity are as follows:

<u>PFRS</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$563,092	\$129,686	\$692,778
2018	580,769	112,009	692,778
2019	599,003	93,775	692,778
2020	617,813	74,965	692,778
2021	637,220	55,558	692,778
2022	565,555	35,538	601,093
2023	238,603	18,321	256,924
2024	246,020	10,904	256,924
2025	92,970	3,256	96,226
2026	18,445	430	18,875
Totals:	\$4,159,490	\$534,442	\$4,693,932

<u>ERS</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$779,076	\$200,071	\$979,147
2018	805,198	173,949	979,147
2019	832,205	146,942	979,147
2020	860,123	119,024	979,147
2021	888,989	90,158	979,147
2022	778,325	60,316	838,641
2023	593,263	34,733	627,996
2024	332,738	14,622	347,360
2025	125,408	4,124	129,532
2026	6,638	156	6,794
Totals:	\$6,001,963	\$844,095	\$6,846,058

Totals: \$10,161,453 \$1,378,537 \$11,539,990

Retirement Contributions

<u>Fiscal Year Ending December 31:</u>	<u>Amount</u>
2012	\$10,123,846
2013	11,808,821
2014	11,298,987
2015	12,314,090
2016	12,565,306
2017 (Budgeted)	13,699,575
2018 (Budgeted)	13,682,411

Other Post-Employment Benefits

The Town provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. Accounting rules now require governmental entities, such as the Town, to account for post-retirement health care benefits as its accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") described below requires such accounting.

GASB 45 and OPEB. OPEB refers to "other post-employment benefits," meaning benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 45, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 45 requires municipalities to account for OPEB liabilities in the same manner as they already account for pension liabilities. It requires them to adopt the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities have not set aside any funds against this liability. Unlike GASB Statement No. 27, which covers accounting for pensions, GASB 45 does not require municipalities to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") is determined for each municipality. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation:

The Town's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Town's finances and could force the Town to reduce services, raise taxes or both.

Actuarial Valuation is required every two years for OPEB plans with more than two hundred members, or every three years if there are less than two hundred members. Additional information about GASB 45 and other accounting rules applicable to municipalities and school districts may be obtained from GASB.

In February of 2015, the OSC proposed legislation to provide the State and certain local governments with the authority to establish trusts in which to accumulate assets for OPEB and to establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments. At this time, New York State has not enacted such legislation. As a result, the Town has decided to continue funding the expenditure on a pay-as-you-go basis.

<u>Annual OPEB Cost and Net OPEB Obligation</u>	<u>Fiscal Year Ended</u> <u>December 31, 2016</u>
Annual required contribution (ARC)	\$18,679,689
Interest on net OPEB obligation	3,285,200
Less: Adjustments to ARC	(4,749,797)
Annual OPEB cost (expense)	<u>17,215,092</u>
Less: Contributions made	<u>4,346,123</u>
Increase in net OPEB obligation	12,868,969
Net OPEB obligation-beginning of year	<u>82,130,013</u>
Net OPEB obligation-end of year	<u><u>\$94,998,982</u></u>

REAL PROPERTY TAX INFORMATION

Real Property Taxes

The Town derives a major portion of its revenues from a tax on real property (see “Statement of Revenues, Expenditures and Changes in Fund Balance” in Appendix B, herein.) Property taxes accounted for approximately 80.92% of total budgeted general fund revenues, for the fiscal year ended 2016. On June 24, 2011, the Tax Levy Limitation Law was enacted, which imposes a tax levy limitation upon the municipalities, school districts and fire districts in the State, including the Town, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the Town. (See “*Tax Levy Limitation Law*” herein).

The following table presents the total tax levy, by purpose, with adjustments and collection performance for each of the last five fiscal years.

Tax Levies, Collection Records and Tax Rates

Fiscal Year Ending December 31:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Tax Levies:					
Town and Highway	\$91,550,233	\$95,698,070	\$96,764,489	\$97,364,494	\$98,317,384
Solid Waste Management	6,769,984	7,023,689	6,992,580	7,041,009	6,939,797
Open Space Preservation	758,246	749,440	725,640	693,420	678,659
Special Districts:					
Fire	7,290,377	8,287,050	8,390,739	8,540,377	9,319,552
Water	2,023,958	2,236,398	2,286,092	2,436,091	2,532,502
Sewer	113,623	-	-	-	
Ambulances	1,471,497	1,470,677	1,469,457	1,378,767	1,435,252
Special Imprvt. Assessment	86,468	89,423	89,480	75,621	74,270
Lighting	1,254,501	1,449,501	1,449,501	1,449,500	863,292
Sanitation	9,670,661	9,895,091	9,876,481	9,997,139	8,684,561
County and State	33,300,892	36,725,703	36,945,094	40,544,624	40,178,350
Relevied School Taxes	6,275,267	6,576,452	5,863,877	5,789,276	5,585,374
Relevied Village Taxes	204,368	125,552	163,965	115,651	107,967
Misc. Items & Adjustments	641,098	602,134	828,798	1,077,817	308,532
County Sewer District	16,676,896	16,985,973	17,473,247	18,597,020	17,281,327
Total Adjusted Tax Levy	\$178,088,069	\$187,915,153	\$189,319,440	\$195,100,806	\$192,306,819
Amount Collected	162,947,999	172,229,073	173,350,000	179,931,984	177,897,590
Returned to County:					
Quarterly Payments	\$10,136,566	\$11,023,763	\$10,873,256	\$10,595,331	\$9,275,698
Unpaid	5,003,501	4,662,318	5,096,184	4,559,871	5,133,533
Per Cent Unpaid	2.81%	2.48%	2.69%	2.34%	2.67%
Uncollected End of Year					
Levy	None	None	None	None	None

The following table sets forth the percentage of the Town's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2012 through 2016, inclusive, and budgeted amount for fiscal year 2017.

Fiscal Year Ending December 31:	Total Revenue	Real Property Taxes	Real Property Taxes to Revenues (%)
2012	\$ 89,604,629	\$70,250,072	78.40
2013	93,259,337	76,295,313	81.81
2014	96,649,990	80,011,228	82.78
2015	101,294,823	80,537,481	79.51
2016	100,253,373	81,122,332	80.92
2017 (Budgeted)	102,989,181	80,837,412	78.49
2018 (Budgeted)	104,779,727	82,675,189	78.90

a. Includes appropriation of fund balance, reserves and interfund transfers.

Tax Collection Procedure

The Town levies and collects all ad valorem and special assessment taxes and charges for general Town, highway, special district and fire district purposes. The Town also collects County and School District property taxes.

Town tax bills, which include the County levy, are mailed on or about January 1 of each year, and may be paid without penalty or interest charge on or before January 31. Penalties for delinquent payment are imposed at the rate of 1% for bills paid in February, 1-1/2% for bills paid in March, and 2% for bills paid in April. Thereafter, all unpaid taxes and the penalties thereon must be paid to the County Commissioner of Finance, and an additional penalty of 5% is added thereto.

The Town permits the payment of its taxes on an installment basis, with equal installments due on or before January 15 and July 15, respectively. A 3% service charge is added to the tax bills of those taxpayers selecting the installment plan. In addition, a 1% interest charge is imposed for the first installment if paid after January 15 and on or before January 20; the installment option may not be exercised thereafter. After January 20, the tax bill is payable in full without interest or penalty if paid on or before January 31.

Pursuant to the Real Property Tax Law, the Town retains from the first tax collections an amount sufficient to satisfy the amounts levied for all Town purposes. The balance is then paid to the County Commissioner of Finance. In April, the Town files a report of uncollected taxes with the County Commissioner of Finance. In the event the Town does not collect sufficient amounts to satisfy all Town purposes, the County is permitted under the Local Finance Law to issue tax anticipation notes to provide funds to pay delinquent Town items to the Town.

School District taxes are billed in September and payable without penalty to September 30th. If paid during October a penalty of 3% is imposed thereon. After October 31st, unpaid School District taxes are returned to the County Treasurer and relieved on the County Tax Roll with a 7% penalty added.

As far as the Town is concerned there are no uncollected taxes. The full amount of the Town tax levies are guaranteed by the County.

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It expires on June 16, 2020 unless extended. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit", are used and they are not tautological. That is what the words say and that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

"It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the Flushing National Bank case stated:

"So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted. While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the Flushing National Bank case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of municipalities.

Therefore, while the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

Tax Rates
(Per \$1,000 Assessed Valuation)

	Fiscal Year Ending December 31:				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
County	\$8.26	\$9.18	\$9.33	\$10.27	\$9.92
Town Outside Villages - Homestead	21.05	21.62	21.91	21.73	21.73
Open Space Initiative - Homestead	0.17	0.17	0.16	0.15	32.53
Nyack & Upper Nyack - Homestead	17.46	17.98	18.13	18.00	17.89
Spring Valley - Homestead	10.44	11.06	11.15	11.00	10.56
Fire Districts:					
Central Nyack	4.90	5.04	5.59	5.72	5.68
Congers	2.23	2.39	2.41	2.42	3.14
East Spring Valley	2.65	2.62	2.41	2.44	2.43
Moleston	1.45	1.68	1.58	2.04	1.86
Nanuet	1.44	2.58	2.53	2.54	3.02
New City	1.23	1.24	1.26	1.30	1.32
Nyack Joint	3.12	2.92	2.90	3.06	3.10
Rockland Lake	1.27	1.32	1.39	1.53	2.21
Valley Cottage	2.33	2.37	2.41	2.43	2.44
West Nyack	1.26	1.40	1.54	1.49	1.52
Ambulance Districts:					
Congers - Valley Cottage	0.63	0.63	0.63	0.60	0.60
Nanuet	0.30	0.30	0.29	0.27	0.27
New City	0.22	0.22	0.22	0.18	0.18
Nyack	0.21	0.25	0.26	0.35	0.49
Spring Hill	2.06	2.04	2.04	1.82	1.79
Water Districts:					
Consol. #1	0.60	0.66	0.67	0.71	0.74
Central Nyack	0.48	0.42	0.46	0.46	0.45
West Nyack #1	0.28	0.24	0.26	0.26	0.26
West Nyack #2	0.26	0.22	0.25	0.25	0.24
West Nyack #3	0.10	0.11	0.14	0.14	0.15
Consolidated Light District Homestead	0.28	0.31	0.31	0.31	0.18

Large Taxable Properties
2017 Assessment Roll^a

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Eklecco ^b	Retail	\$139,858,265
Orange & Rockland Utilities	Public Utility	78,009,698
State of New York	State Land	77,826,053
United Water Co.	Public Utility	5,988,986
Azure HGI	Apartments	25,525,000
The Retail Property	Condos & Apts.	24,263,095
Normandy Village	Retail	14,774,300
Centro NP Holdings	Retail	1,077,060
Spring Valley Marketplace	Public Utility	10,350,000
Rockland Center Associates	Retail	8,299,200
Verizon	Industrial	7,800,650
American Cyanamid (Pearl River Campus)	Commercial	7,261,200
DP 57 LLC	Commercial	6,715,000
Bridon Realty Co.		6,058,000
180 New City Realty LLC.	Retail	5,954,900
	Total ^c	\$419,761,407

- a. Assessment Roll established in 2016 for levy and collection of taxes in 2017.
b. See "Palisades Center Properties Tax Certiorari" herein.
c. Represents 10.10% of the 2017 Taxable Assessed Valuation of the Town.

Palisades Center Properties Tax Certiorari

On August 6, 2013, a settlement was reached between Eklecco Newco LLC, and the Town, the County, the Clarkstown Central School District, Rockland County Sewer District #1, and the Rockland County Solid Waste Authority (the "Taxing Authorities") in connection with Eklecco Newco LLC's tax certiorari lawsuit against the Taxing Authorities. The subject property consists of 42 tax parcels, collectively known as the Palisades Center Shopping Mall.

In consideration of the settlement, the aggregate assessment of all 42 tax parcels was corrected and reduced to \$182,522,514 for the 2013-14 tax year. The settlement set a targeted tax payment of \$21,000,000 for four years and sets the assessed value in year four, on which tax payments for years five to seven will be based on prevailing rates.

The total amount of the settlement was \$20,000,000 and the Taxing Authorities are responsible for their portion of the refund due to Eklecco Newco LLC. The Town's portion of the settlement was approximately \$5,200,000. In anticipation of the settlement, the Town Board adopted a bond resolution on July 29, 2013 authorizing the issuance of \$5,200,000 in Bonds to finance its share of the tax refund. The Town issued \$5,200,000 in bond anticipation notes on October 30, 2013 to finance such amount and converted \$4,700,000 of such amount to bonds on August 20, 2014.

LITIGATION

In common with other towns, the Town from time to time receives notices of claim and is party to litigation. In the opinion of the Town Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Town has not asserted a substantial and adequate defense, nor which, if determined against the Town, would have an adverse material effect on the financial conditions of the Town.

MARKET AND RISK FACTORS

The financial condition of the Town as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Town's control. There can be no assurance that adverse events in the State including, for example, the seeking by a municipality of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction, or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The Town is dependent in part on financial assistance from the State in the form of State aid. In some recent years, the Town's receipt of State aid was delayed as a result of the State's delay in adopting its budget and appropriating State aid to municipalities and school districts. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in this or future years, the Town may be affected by a delay, until sufficient revenues have been received by the State to make State aid payments to the Town.

Should the Town fail to receive monies expected from the State in the amounts expected on a timely basis, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid. In addition, the Town may borrow to finance revenue shortfalls arising from, among other things, mid-year reductions in State Aid.

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Town without providing an exclusion for debt service on obligations issued by municipalities, school districts or fire districts, including the Town, could have an impact upon the market price of the Notes. See "REAL PROPERTY TAX INFORMATION - *Tax Levy Limitation Law*" herein.

TAX MATTERS

Federal Income Taxes

In the opinion of Harris Beach PLLC, Bond Counsel to the Town, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Town with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income of the owners thereof for federal income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Notes in order that interest on the Notes will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Notes and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirements of the Code may cause interest on the Notes to be includable in gross income for purposes of federal income tax, possibly from the date of issuance of the Notes. In the Arbitrage and Use of Proceeds Certificate of the Town to be executed in connection with the issuance of the BANs, the Town will covenant to comply with certain procedures and it will make certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Notes. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Bond Counsel is of the further opinion that interest on the Notes is not an "item of tax preference" for purposes of federal alternative minimum tax on individuals and corporations; interest on the Notes is, however, included in "adjusted current earnings" for purposes of calculating the federal alternative minimum tax imposed on certain corporations. Corporate purchasers of the Notes, should consult with their tax advisors regarding the calculation of any federal alternative minimum tax liability.

Prospective purchasers of the Notes should be aware that ownership of the Notes, and the accrual or receipt of interest thereon, may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of the Notes and their accrual or receipt of interest thereon. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

The BANs will NOT be designated as "qualified tax exempt obligations" within the meaning of, and pursuant to Section 265(b)(3) of the Code.

State and Local Income Taxes

In the opinion of Bond Counsel, interest on the Notes is exempt from personal income taxes imposed by the State and any political subdivision thereof, including The City of New York.

Other Considerations

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance and delivery of the Notes may affect the tax status of interest on the Notes.

No assurance can be given that current or future legislative proposals, if enacted into law, including amendments to the Code or the State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Notes to be subject to federal or State income taxation, or otherwise prevent Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Notes for audit examination, or the course or result of any Internal Revenue Service examination of the Notes or of obligations which present similar tax issues, will not affect the market price or marketability of the Notes. For example, legislation is currently pending in the United States Congress which, if enacted into law would, among other things, reduce corporate income tax rates, change individual income tax brackets, and eliminate the federal alternative minimum tax, effective for tax years beginning after December 31, 2017. It is not possible to predict whether and in what form this legislation will be enacted into law. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

All summaries and explanations of provisions of law do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE NOTES

Legal Matters

Legal matters incident to the authorization, issuance and sale of the Notes will be subject to the final approving opinion of Harris Beach PLLC, White Plains, New York, Bond Counsel to the Town. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to the applicable statutory limitations of Chapter 97 of the Laws of 2011 of the State of New York (see "REAL PROPERTY TAX INFORMATION - *Tax Levy Limitation Law*" herein), provided, however, that the enforceability (but not the validity) of the Notes, as applicable, may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; and (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Notes as the same become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of such Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

DISCLOSURE UNDERTAKING

This Preliminary Official Statement is in a form "deemed final" by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Town will provide an executed copy of its "Undertaking to Provide Notices of Events" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice, not in excess of ten (10) business days after the occurrence of the event, of the occurrence of any of the following events with respect to the Notes:

- (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Town; [note to clause (xii): For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town]; (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(ii)

The Town may provide notice of the occurrence of certain other events, in addition to those listed above, if it determines that any such other event is material with respect to the Notes; but the Town does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

The Town's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Town, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Town to comply with the Undertaking will not constitute a default with respect to the Notes.

The Town reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Compliance History

On August 13, 2013, the Town filed a material event notice regarding the status of the ratings of the bond insurers on various bonds issued by the Town. Since the fall of 2008, there have been in excess of 25 rating actions on bond insurers reported by Moody’s, Standard & Poor’s and Fitch. Due to widespread knowledge of the downgrades to such bond insurers, material event notices were not filed pursuant to every rating action.

The following table sets forth the dates of the annual filings for each of the five preceding fiscal years.

<u>Fiscal Year Ending December 31:</u>	<u>Financial & Operating Information</u>	<u>Audited Financial Statements</u>
2012	06/27/2013	06/27/2013
2013	06/27/2014	06/27/2014
2014	06/18/2015	06/01/2015
2015	06/27/2016	06/23/2016
2016	06/27/2017	07/19/2017

The unaudited financial statements for fiscal year ending December 31, 2016 were filed on June 23, 2017.

BOND RATINGS

The Notes are not rated.

Moody’s and S&P currently have assigned a “Aa3” and “AA+” respectively to the outstanding bonds of the Town. These ratings reflect only the view of such rating agencies and an explanation of the significance of such ratings should be obtained from such rating agencies. There can be no assurance that such ratings will not be revised or withdrawn, if in the judgment of either or both agencies circumstances so warrant. Any change or withdrawal of such ratings may have an adverse effect on the market price of the outstanding bonds or the availability of a secondary market for such bonds.

MUNICIPAL ADVISOR

Munistat Services, Inc. (the “Municipal Advisor”), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent municipal advisor to the Town on matters relating to debt management. The Municipal Advisor is a municipal advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Town Comptroller, Thomas Morr, CPA, Town of Clarkstown, 10 Maple Avenue, New City, New York 10956, telephone number 845/639-2020, email: t.morr@clarkstown.org or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888 and website: <http://www.munistat.com>.

MISCELLANEOUS

Any statements made in this Official Statement and indicated to involve matters of opinion or estimates are represented to be opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Notes.

Harris Beach PLLC expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the Town for use in connection with the offer or sale of the Notes, including this Official Statement. This Official Statement has been prepared only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purposes.

TOWN OF CLARKSTOWN

By: /s/
GEORGE A. HOEHMANN
Town Supervisor
Clarkstown, New York

Dated: December , 2017

TOWN OF CLARKSTOWN

APPENDIX A

FINANCIAL INFORMATION

The financial schedules contained herein have not been audited, reviewed, or compiled by our independent accountants, and they assume no responsibility for such financial statements.

Statement of Revenues, Expenditures and Fund Balances
General Fund (Town-Wide)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues:					
Real Property Taxes	\$ 70,250,072	\$ 76,295,313	\$ 80,011,228	\$ 80,537,481	\$ 81,197,953
Other Tax Items	1,937,727	2,009,118	2,469,069	3,100,907	3,211,800
Departmental Income	5,182,462	2,505,289	2,477,839	2,474,004	3,106,900
Use of Money and Property	449,819	718,363	495,901	521,198	392,065
Licenses & Permits	10,113	9,237	9,729	9,722	11,365
Fines & Forfeitures	1,014,736	1,012,144	1,051,201	1,133,967	1,097,775
Sale of Property & Compensation for Loss	98,051	38,280	78,198	1,872,383	50,844
State Aid	3,893,626	3,685,098	2,758,279	3,394,264	4,350,808
Federal Aid	604,265	827,110	768,668	283,398	437,846
Miscellaneous	6,163,758	6,159,385	6,529,878	7,967,499	6,396,017
Total Revenues	\$ 89,604,629	\$ 93,259,337	\$ 96,649,990	\$ 101,294,823	\$ 100,253,373
Expenditures:					
General Government Support	\$ 16,355,729	\$ 21,942,850	\$ 16,796,773	\$ 16,414,394	\$ 16,911,280
Public Safety	36,243,739	36,093,085	37,821,935	37,575,004	36,401,141
Education					268,729
Health					2,126,040
Transportation	1,571,142	1,430,357	1,401,412	1,292,675	1,324,141
Economic Assistance	114,188	121,255	77,120	56,149	271,436
Culture and Recreation	6,416,105	6,452,212	6,435,400	6,548,601	6,416,864
Home and Community Services	1,865,549	1,857,887	1,852,385	1,608,150	1,643,104
Employee Benefits	20,737,457	22,295,722	23,059,863	24,116,057	24,690,838
Debt Service	13,577,100	14,356,974	20,149,629	15,593,847	15,218,279
Total Expenditures	\$ 96,881,009	\$ 104,550,342	\$ 107,594,517	\$ 103,204,877	\$ 105,271,852
Other Financing Sources (Uses):					
Proceeds From:					
Operating Transfers In	3,391,417	4,100,359	3,829,500	3,845,246	3,941,079
Operating Transfers Out	(335,000)		(3,125)	(3,125)	(3,125)
Proceeds for Bond Anticipation Notes	335,000	5,200,000	4,700,000		
	<u>3,391,417</u>	<u>9,300,359</u>	<u>8,526,375</u>	<u>3,842,121</u>	<u>3,937,954</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	(3,884,963)	(1,990,646)	(2,418,152)	1,932,067	(1,080,525)
Fund Balance Beginning of Year	<u>20,816,549</u>	<u>16,931,586</u>	<u>14,940,940</u>	<u>12,522,788</u>	<u>14,454,855</u>
Fund Balance End of Year	\$ <u>16,931,586</u>	\$ <u>14,940,940</u>	\$ <u>12,522,788</u>	\$ <u>14,454,855</u>	\$ <u>13,374,330</u>

Source: Audited Annual Financial Reports of the Town of Clarkstown (2012-2015)
Unaudited Annual Financial Update Document (2016)

NOTE: This schedule not audited.

Statement of Revenues, Expenditures and Fund Balances
Highway Fund (Town Outside Villages)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues:					
Real Property Taxes	\$ 11,594,700	\$ 12,133,565	\$ 12,499,000	\$ 12,593,245	\$ 12,593,245
Departmental Income	77,822	64,256	61,990	40,447	33,576
Use of Money and Property	22,642	17,125	8,959	5,554	22,653
Licenses & Permits	109,016	150,275	153,228	104,268	155,482
Sale of Property & Compensation for Loss	28,403	2,726	3,477	4,493	142,947
Refund Prior Years Expenditures		3,678		3,337	
State Aid	1,006,991	899,688	909,571	1,154,388	914,543
Federal Aid	741,028	1,865,192	298,244	2,025	
Miscellaneous	10,430	1,109	397	392	876
Total Revenues	\$ 13,591,032	\$ 15,137,614	\$ 13,934,866	\$ 13,908,149	\$ 13,863,322
Expenditures:					
General Government Support					22,542
Employee Benefits					3,718,644
Transportation	13,860,924	13,492,393	11,554,507	11,721,957	7,756,715
Total Expenditures	\$ 13,860,924	\$ 13,492,393	\$ 11,554,507	\$ 11,721,957	\$ 11,497,901
Other Financing Sources (Uses):					
Proceeds From:					
Operating Transfers In	550,000	575,000	575,000	478,902	575,000
Operating Transfers Out	(1,194,731)	(2,161,062)	(2,277,620)	(2,323,696)	(2,413,675)
Total Other Financing Sources (Uses)	\$ (644,731)	\$ (1,586,062)	\$ (1,702,620)	\$ (1,844,794)	\$ (1,838,675)
Excess (Deficiency) of Revenues & Other Financing Sources Over	(914,623)	59,159	677,739	341,398	526,746
Fund Balance Beginning of Year	1,902,350	987,727	1,046,886	1,724,625	2,066,023
Fund Balance End of Year	\$ 987,727	\$ 1,046,886	\$ 1,724,625	\$ 2,066,023	\$ 2,592,769

Source: Audited Annual Financial Reports of the Town of Clarkstown (2012-2015)
Unaudited Annual Financial Update Document (2016)

NOTE: This schedule not audited.

Non-Major Governmental Funds¹

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues:					
Real Property Taxes	\$ 18,704,932	\$ 18,502,673	\$ 19,191,020	\$ 19,636,822	\$ 20,021,763
Other Tax Items	134,888	136,289	142,453	154,861	
Departmental Income	4,846,102	5,160,887	4,576,923	4,757,355	2,154,734
Interest Earnings	51,552	41,221	39,194	37,887	1,053,927
License & Permits	22,000	18,750	27,300	25,200	1,675,738
Use of Money and Property	14,677				31,814
Sale of Property and Comp for Loss		534	279	2,062	
Federal Aid	5,635	71,864			
State Aid	1,879		64,754	80,942	
Miscellaneous	101,078	109,818	113,050	128,832	1,104
Total Revenues	\$ 23,882,743	\$ 24,042,036	\$ 24,154,973	\$ 24,823,961	\$ 24,939,080
Expenditures:					
General Government Support					12,835
Public Safety	1,755,579	1,775,128	1,773,146	1,765,234	1,915,038
Health	2,537,256	2,652,730	2,790,210	2,972,506	2,948,881
Transportation*	829,100	957,332	1,449,020	1,398,514	2,135,873
Home and Community Services*	14,338,497	14,012,946	14,457,883	15,057,505	12,879,218
Employee Benefits	1,205,229	1,380,495	1,411,886	1,432,310	1,744,489
Debt Service	112,870	119,130			
Total Expenditures	\$ 20,778,531	\$ 20,897,761	\$ 21,882,145	\$ 22,626,069	\$ 21,636,334
Other Financing Sources (Uses):					
Proceeds From:					
Operating Transfers In	100,000				
Operating Transfers Out	(2,164,526)	(2,002,173)	(2,076,880)	(2,000,452)	(2,102,404)
Total Other Financing Sources (Uses)	\$ (2,064,526)	\$ (2,002,173)	\$ (2,076,880)	\$ (2,000,452)	\$ (2,102,404)
Excess (Deficiency) of Revenues & Other Financing Sources Over Expenditures & Other Uses	1,039,686	1,142,102	195,948	197,440	1,213,246
Fund Balance Beginning of Year	4,667,525	5,707,211	6,849,313	7,045,261	7,242,701
Fund Balance End of Year	\$ 5,707,211	\$ 6,849,313	\$ 7,045,261	\$ 7,242,701	\$ 8,443,043

1. Non-Major Governmental Funds consist of the following funds: General Fund Town Outside Village, Highway Town Wide, Refuse & Garbage, Lighting, Water and Miscellaneous

* Beginning in the fiscal year ending December 31, 2012, certain expenses were reclassified from "Transportation" to "Home and Community Services".

Source: Audited Annual Financial Reports of the Town of Clarkstown (2012-2015)
Unaudited Annual Financial Update Document (2016)

NOTE: This schedule not audited.

Balance Sheet - Government Funds

Fiscal Year Ending 12/31/16:

	General Fund <u>Townwide</u>	Highway Town Outside <u>Village</u>	Capital <u>Projects</u>	Non-Major Governmental <u>Funds¹</u>
Cash	\$ 8,023,654	\$ 2,052,142	\$ 3,132,020	\$ 9,755,074
Other Receivables	3,845,416	484,336	30	447,448
Due from Other Funds	983,749	8,915		27,825
Prepaid Expenses	2,448,841	242,047		139,691
Restricted Assets	<u>2,143,129</u>			
Total Assets	17,444,789	2,787,440	3,132,050	10,370,038
Accounts Payable	\$ 1,709,771	\$ 72,727	\$ 248,024	\$ 911,687
Accrued Liabilities	1,156,459	120,530		117,817
Other Liabilities	174,208	294	42,102	
Due to Other Funds	<u>221,905</u>	<u>1,120</u>	<u>9,666</u>	<u>810,057</u>
Total Liabilities	<u>3,262,343</u>	<u>194,671</u>	<u>299,792</u>	<u>1,839,561</u>
Deferred Inflows of Resources	<u>806,116</u>			<u>74,530</u>
Nonspendable	2,446,841	242,047		329,660
Restricted	2,143,129			
Assigned	171,509	2,350,722	2,832,258	8,126,287
Unassigned	<u>8,612,851</u>			
Total Fund Balances	<u>13,374,330</u>	<u>2,592,769</u>	<u>2,832,258</u>	<u>8,455,947</u>
	<u>\$ 17,442,789</u>	<u>\$ 2,787,440</u>	<u>\$ 3,132,050</u>	<u>\$ 10,370,038</u>

1. Non-Major Governmental Funds consist of the following funds: General Fund Town Outside Village, Highway Town Wide, Refuse & Garbage, Lighting, Water, and Miscellaneous

Source: Unaudited Annual Financial Update Document of the Town of Clarkstown (2016)

NOTE: This schedule not audited.

Budget Summaries

Fiscal Year Ending December 31, 2017

	General Fund (Town-Wide)	Highway Town Outside Villages	Non-Major Governmental Funds ¹
Revenues:			
Real Property Taxes	\$ 80,937,412	\$ 13,004,492	\$ 10,123,605
Other Tax Items	2,261,150		8,684,560
Departmental Income	2,612,500	120,000	157,500
Intergovernmental Charges	5,227,400	62,000	1,029,890
Use of Money and Property	475,305	9,500	33,150
Licenses & Permits	134,700		1,465,000
Fines & Forfeitures	1,197,600		3,400
Sale of Property	190,000		374,000
State Aid	3,720,000	914,830	
Federal Aid	199,000		
Miscellaneous	2,797,000	300	1,720,493
Interfund Items	3,237,114	498,000	
Approp. Fund Bal. and Rsvs.			
Total Revenues	\$ <u>102,989,181</u>	\$ <u>14,609,122</u>	\$ <u>23,591,598</u>
Expenditures:			
General Government Support	\$ 15,682,957		\$ 11,591,771
Public Safety	33,604,871		1,990,058
Health	2,196,622		60,000
Transportation	1,273,790	8,025,128	4,924,039
Economic Assistance and Opportunity	66,500		
Home and Community Services	6,906,838		1,859,855
Employee Benefits	1,517,608	4,123,940	1,942,320
Debt Service	26,733,315		11,000
Interfund Transfers	15,006,680	2,460,054	1,212,555
Total Expenditures	\$ <u>102,989,181</u>	\$ <u>14,609,122</u>	\$ <u>23,591,598</u>

1. Non-Major Governmental Funds consist of the following funds: General, Town Outside Village, Highway Town Wide, Ambulance, Sanitation, Lighting, & Water

Source: 2017 Budget Adopted by the Town Board of the Town of Clarkstown.

Budget Summaries

Fiscal Year Ending December 31, 2016

	General Fund (Town-Wide)	Highway Town Outside Villages	Non-Major Governmental Funds ¹
Revenues:			
Real Property Taxes	\$ 80,959,375	\$ 12,593,245	\$ 19,866,792
Other Tax Items	3,281,430		142,515
Departmental Income	2,478,000	120,000	1,594,500
Intergovernmental Charges		65,000	1,036,650
Use of Money and Property	498,000	6,000	29,860
Licenses & Permits	10,000		27,300
Fines & Forfeitures	1,200,000		0
Sale of Property	155,000	2,990	396,500
State Aid	3,545,000	914,570	0
Federal Aid	241,000		0
Miscellaneous	7,485,695	1,000	149,075
Interfund Items	4,319,255	575,000	0
Approp. Fund Bal. and Rsvs.			2,089,693
	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 104,172,755	\$ 14,277,805	\$ 25,332,885
	<hr/>	<hr/>	<hr/>
Expenditures:			
General Government Support	\$ 16,110,525		\$ 81,000
Public Safety	37,471,055		1,913,355
Transportation	1,273,485	7,740,585	1,025,645
Health			64,500
Culture and Recreation	6,613,755		0
Home and Community Services	1,770,555		18,119,835
Employee Benefits	25,429,155	4,123,545	1,900,515
Debt Service	15,504,225		156,610
Interfund Transfers		2,413,675	2,071,425
	<hr/>	<hr/>	<hr/>
Total Expenditures	\$ 104,172,755	\$ 14,277,805	\$ 25,332,885
	<hr/>	<hr/>	<hr/>

1. Non-Major Governmental Funds consist of the following funds: General, Town Outside Village, Highway Town Wide, Sewer, Sanitation, Lighting, Ambulance & Water

Source: 2016 Budget Adopted by the Town Board of the Town of Clarkstown.

TOWN OF CLARKSTOWN

APPENDIX B

**AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2016**

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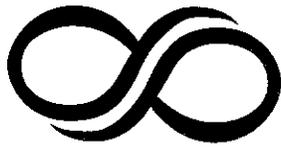
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INDEPENDENT AUDITORS' REPORT

To the Honorable Supervisor and
Town Board of the Town of Clarkstown, New York:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Clarkstown, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statement

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 did not audit the financial statements of Clarkstown Middlewood HDFC, Inc., which represent .54%, 4.5% and .8%, respectively, of the assets, net position, and revenues of the governmental activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Clarkstown Middlewood HDFC, Inc., is based on the report of the other auditors. 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 to 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Town of Clarkstown as of December 31, 2016, 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.

Change in Accounting Principle

As described in Note 3 to the financial statements, in 2015, the Town of Clarkstown adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 6-16 and 61-99 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor 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, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

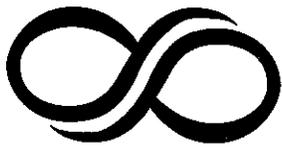
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2017, on our consideration of the Town of Clarkstown'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 the Town of Clarkstown's internal control over financial reporting and compliance.

Berard + Associates CPA's PC

Berard & Associates CPA's P.C.

July 12, 2017



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

To the Honorable Supervisor and
Town Board of the Town of Clarkstown, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Clarkstown as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town of Clarkstown's basic financial statements, and have issued our report thereon dated May 31, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Clarkstown'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 Clarkstown's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Clarkstown'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 the 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 Clarkstown'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.

Purpose of the report

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

Berard + Associates CPA's PC

Berard & Associates CPA's P.C.

July 12, 2017

Town of Clarkstown
Management's Discussion and Analysis (MD&A)
December 31, 2016

Financial Analysis of the Town-Wide Financial Statements

Introduction

Pertinent to the ensuing MD&A was the establishment of the tax levy limit (generally referred to as the tax cap). Under Chapter 97 of the Laws of 2011, the amount of property taxes local governments can levy is restricted to 2 percent, or the rate of inflation, whichever is lower. The law gives local governments the option to override the tax cap for the coming fiscal year by enacting a local law that must be approved by 60 percent of the total voting power of the governing board. The Town Board complied with the property tax cap for the fiscal year beginning January 1, 2012, 2015 and 2016.

The Town Board overrode the tax cap for the fiscal years beginning January 1, 2013 and 2014.

The Town implemented Government Accounting Standards Board (GASB) Statement 54 entitled "Fund Balance Reporting and Governmental Fund Type Definitions" for the fiscal year ending December 31, 2011. Statement 54 abandoned the reserve and unreserved classifications of fund balance and replaced them with five new classifications: non-spendable, restricted, committed, assigned, and unassigned. These changes were made to bring greater clarity and consistency to fund balance reporting. Detailed descriptions of each fund balance classification are included in the notes to the financial statements.

Statement 54 requires the Town to focus on the constraints imposed upon resources when reporting fund balance in governmental funds. The classifications serve to inform readers of the financial statements of the extent to which government is bound to honor constraints on the specific purposes for which resources in a fund can be spent.

The following discussion and analysis of the Town of Clarkstown's financial statements provides an overview of the financial activities of the Town for the fiscal year ended December 31, 2016. These comments should be read in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section. The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the town-wide and fund financial statements.

Financial Highlights

The Town's Statement of Net Position consisted of:

	<u>12/31/2016</u>	<u>For years ended</u> <u>12/31/2015</u>
Total Assets	\$213,878,726	\$214,338,308
Deferred Outflows	<u>\$ 49,064,088</u>	<u>\$ 14,377,232</u>
Total Assets and Deferred Outflows	\$262,942,814	\$228,715,540
Total Liabilities	\$278,528,898	\$239,319,606
Total Deferred Inflows	<u>\$ 6,333,046</u>	<u>\$ 1,513,970</u>
Total Liabilities and Deferred Inflows	\$284,861,944	\$240,833,576
Total Net Position	<u>\$(21,919,130)</u>	<u>\$(12,118,036)</u>

Total Assets and Deferred Outflows

Total Assets and Deferred Outflows increased \$34,227,000 for the year ended December 31, 2016 and were primarily due to:

-A Deferred Pension Asset which was recorded for the first time in the Town's 2015 Financial Statements. This new asset is the result of the Town implementing Government Accounting Standards Board Statement 68 entitled "Accounting and Financial Reporting for Pensions" which became effective for the year ending December 31, 2015. Statement No. 68 replaces the requirement of Statement No. 27, "Accounting for Pensions by State and Local Government Employers", as well as the requirements of Statement No. 50, "Pensions Disclosures". The primary objective of Statement No. 68 is to improve information provided by state and local governmental employers about financial support for pensions that is provided by other entities. For a detailed analysis and explanation refer to the Notes to the Financial Statements. In 2016 this asset increased \$34,686,856 (ERS \$13,520,564 and PFRS \$21,166,292).

-The net decrease in Capital Assets, not being depreciated of \$2,225,000 was due to the completion of projects formerly recorded as Construction in Progress. These items were reclassified to Capital Assets resulting in a net increase in this line of \$2,451,000

-Total cash was \$25,106,000 as of year-end December 31, 2016 as compared to \$25,704,000 for the prior period. The net decrease of approximately \$598,000 was primarily attributed to receiving a payment in December of 2015 on the sale of the cell tower in the amount of \$1,750,000. Prepaid Expenses increased \$179,000 primarily due to a larger prepayment due on the Town's pension costs. Residual Receipts Note Receivable – Component Unit decreased to \$0 in 2016 from \$124,000 in 2015 as the note was collected during the prior year from the Component Unit.

Total Liabilities and Deferred Inflows of \$284,862,000 increased \$44,028,000 for the year ended December 31, 2016 as compared to the prior year end. Noncurrent liabilities due in more than one year of \$213,713,000 as of the current year end increased \$7,103,000 over the comparable prior period due to other post-employment benefits increasing \$12,900,000 (refer to Long term liability balances footnote for further details). This was offset by a reduction in Long-term Serial and Water Bonds Payable of \$4,200,000 as the Town retired more debt than was taken on in 2016.

Net Pension Liability – proportionate share increased \$32,678,000 and Deferred Pension Liabilities increased \$5,203,000. These new liabilities, recorded for the first time in 2015, were the result of the Town implementing Government Accounting Standards Board (GASB) Statement 68. See the explanation for Deferred Pension Asset above in the MD&A as well as the Notes to the Financial Statements.

Noncurrent liabilities due within one year decreased \$282,000 due to reductions of amounts owed on State Clean Water Bonds for Sanitary Landfill (\$580,000) and Highway Remediation (\$230,000) and a reduction of \$150,000 in Judgments & Claims due to lower expected insurance claims over the next year as calculated by actuaries and Compensated Absences of \$100,000. These were offset by an increase in Serial Bonds Payable with one year of \$787,000.

Accrued expense decreased \$144,000 attributable to a reduction in the year-end payroll accrual.

Total Net Position balance consisted of:

	<u>12/31/2016</u>	<u>For years ended</u>	<u>12/31/2015</u>
Net Investment in Capital Assets	\$ 75,062,357		\$ 72,008,254
Restricted for:			
Capital	\$ 2,832,259		\$ 3,461,118
Special District Revenue Funds	\$ 11,048,716		\$ 9,308,724
DARE	\$ 23,399		\$ 11,513
Seized and Forfeited Property	\$ 1,018,624		\$ 980,567
Debt Redemption	\$ 922,241		\$ 1,049,563
Parklands	\$ 178,865		\$ 177,430
Unrestricted	<u>\$(113,005,591)</u>		<u>\$(99,115,205)</u>
Total Net Position	<u>\$ (21,919,130)</u>		<u>\$(12,118,036)</u>

Total Net Position decreased \$9,801,094 and consisted of:

-Investment in Capital Assets, net of related debt increased \$3,054,000 for the year-ended December 31, 2016 (Capital Assets increased \$226,000 while associated debt decreased \$3,428,000, respectively).

-Restricted for Capital represents balances at year end that are to be used in subsequent year completion of various capital projects.

-Restricted for Special District Revenue Funds represents balances of funds other than the General Fund whose resources are constrained for the use by that fund. All encumbrances and assigned to amounts of these funds are classified as restricted fund balances (for further analysis refer to the MD&A of the Town's fund financial statements).

-Unrestricted balance reflects an additional (deficit) of \$13,890,000 primarily attributable to recognition of long-term liability increases in other post-employment benefits of \$12,869,000 and deferred inflows of resources related to pensions \$5,203,000. Offsetting the additional (deficits) is a reduction in Bonds payable of \$4,308,000.

The Statement of Activities reflected a (deficit) Change in Net Position of Governmental Activities of (\$9,801,094) for the year ending December 31, 2016 as compared to (\$2,498,820) for the prior year end. The Primary Government net expense was \$137,874,981 and \$131,014,111 for the comparable periods, respectively. Program Revenue-Operating Grants and Contributions of \$1,287,866 for the year-ended December 31, 2016 decreased \$2,462,000 from the comparable prior year-end. Total General Revenues amounted to \$128,073,887 versus the prior year sum of \$128,515,291 a decrease of \$441,404 substantially due to Equipment & Property Sales (which included the sale of a cell tower in 2015) partially offset by an increase in Mortgage Tax receipts in 2016.

Overview of the Financial Statements

The Town's financial statements are comprised of this Management Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis is intended to serve as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements report information about the Town as a whole, using accounting methods similar to private-sector companies. The statements are prepared using the economic resources measurements focus and the accrual basis of accounting. The government-wide financials include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to finance Town programs, are excluded from these statements.

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

In the town-wide statements there are three classes of net position:

- 1) Investment in Capital Assets, net of related debt which consists of net assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement in those assets.
- 2) Restricted net position included 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: DARE, Seized and Forfeited Property, Insurance, Debt Redemption and Parklands. Net Position restricted for Capital represents total balance of individual capital projects as of the current year end that are to be used in the subsequent period. Special District Revenue Funds net position represents the total of all other fund balance, excluding the General Fund, and include encumbrances and amounts assigned for subsequent years' budget.
- 3) The Unrestricted fund balance reports all other net position that do not meet the definition of the above two classifications.

The Statement of Activities presents information showing how the Town's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected assessments and earned but unused compensation absences). The focus of this statement is on the net cost of providing various services to the citizens of the Town.

The governmental activities reflected in this section are general government support, public safety, health and sanitation, transportation, economic assistance and opportunity, culture and recreation, home and community services, and general repairs and maintenance. These activities are principally supported by real property taxes, non-property taxes, charges for services, and operating grants and contributions.

The government-wide financial statements include, not only the Town itself, (known as the primary government), but also a legally separate housing entity for which the Town is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds, based upon the purpose for which they are to be spent, and the means by which spending activities are controlled, and to ensure and demonstrate compliance with legal requirements.

Most of the basic services provided by the Town are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as the available balances of these resources, at the end of the fiscal year. This information is useful in determining the Town's requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the Town's current financing decisions. Both the government fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Prior to its effective implementation date of June 15, 1993, the Town's municipal solid waste landfill no longer accepted solid waste. The landfill closure serial bonds were financed by the New York State Environmental Facilities Corporation from proceeds of its' State Clean Water and Drinking Water Revolving Funds Revenue Bonds. Such loans have historically provided subsidy earnings to offset debt service interest by approximately 50%. The post-closure care costs accrual represents the estimated costs of maintaining and monitoring the landfill for the next 13 years.

The Town implemented GASB Statement No.45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions, ("OPEB") for the year ended December 31, 2008. This required the Town to calculate and record a net other post-employment benefit obligation at year-end. The net other post-employment benefit obligation of \$94,998,982 (included in Noncurrent liabilities) is the cumulative between the actuarially required contribution and the actual contributions made. The Town contributed \$4,346,123 and \$4,260,505 to the plan for current costs for fiscal years 2016 and 2015, respectively. Until changes are made in New York State law to permit funding, there is no legal obligation to fund OPEB other than "pay as you go". (Refer to Notes to Financial Statements: Solid Waste Landfill Post-closure Care Costs and Post-employment Benefits).

Other information - Additional statements and schedules can be found immediately following the notes to the financial statements. These include the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Statement of Activities

For the year ended December 31, 2016, net primary government expenses were \$137,874,981 and total general revenues were \$128,073,887.

-Program expenditures included contractual obligations in connection with PBA and CSEA agreements covering salaries, pensions and health insurance costs, as well as OPEB (Other Post-Employment Benefits) projections.

-The decrease in Revenues was mainly attributable to the sale of the cell tower that occurred in 2015 partially offset by an increase in Mortgage Taxes.

Financial Analysis of the Government's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

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, components of fund balance may serve as a measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current calendar year, the Town's governmental funds reflected a combined ending fund balance of \$27,255,305 in comparison to \$27,224,697 for the prior year. The net increase of \$30,608 in Total Fund Balances is summarized as follows:

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/13/2015</u>	
Major Funds:			
General Fund Townwide	\$13,374,330	\$14,454,855	\$(1,080,525)
Highway Fund Town Outside Village	2,592,769	2,066,023	526,746
Capital Project Fund	<u>2,832,259</u>	<u>3,461,118</u>	<u>(628,859)</u>
Total	<u>\$18,799,358</u>	<u>\$19,981,996</u>	<u>\$(1,182,638)</u>
	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/13/2015</u>	
Non Major Funds:			
General Fund Townwide	\$ 2,893,192	\$ 2,775,480	\$ 117,712
Highway Fund Town Outside Village	399,936	307,972	91,964
Special District Funds:			
Sanitation	1,408,273	755,561	652,712
Lighting	279,844	66,443	213,401
Ambulance	3,284,733	3,234,220	50,513
Water	<u>189,969</u>	<u>103,025</u>	<u>86,944</u>
Total	<u>\$ 8,455,947</u>	<u>\$ 7,242,701</u>	<u>\$1,213,246</u>
Total Fund Balances	<u>\$27,255,305</u>	<u>\$27,224,697</u>	<u>\$ 30,608</u>

Major Funds

General Fund Townwide

The General Fund Townwide is the primary operating fund of the Town. The total fund balance components are non spendable, restricted, assigned and unassigned.

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/31/2015</u>	
Restricted for:			
DARE	\$ 23,399	\$ 11,513	\$ 11,886
Seized and Forfeited Property	1,018,624	980,567	38,057
Debt Redemption	922,241	1,049,563	(127,322)
Parklands	178,865	177,430	1,435
Total	<u>\$ 2,143,129</u>	<u>\$2,219,073</u>	<u>\$ (75,944)</u>

Restricted fund balance includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or law regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Seized and Forfeited Property is used to purchase police equipment permitted under the federal guidelines primarily to support continued undercover operations and surveillance operations. Debt redemption is dependent on grants received for improvements to Town's infrastructure primarily related to roads and drainage. Parklands funds are used for various recreational improvement projects throughout the Town.

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/31/2015</u>	
Assigned to:			
General Government Support	\$ 8,444	\$ 17,465	\$ (9,021)
Public Safety	162,040	243,030	(80,990)
Transportation	-0-	-0-	-0-
Economic Assistance & Opport.	-0-	1,485	(1,485)
Cultural & Recreation	152	3,968	(3,816)
Home & Community Services	873	-0-	873
Total	<u>\$ 171,509</u>	<u>\$265,948</u>	<u>\$ (94,439)</u>

Assigned fund balance includes amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances are classified as Assigned. Encumbrances represent open purchase orders, contracts, and other commitments of expenditures which will be honored through budget appropriations in the subsequent year.

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/31/2015</u>	
Assigned to:			
Subsequent Years' Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/31/2015</u>	
Non Spendable	<u>\$ 2,446,841</u>	<u>\$ 2,269,849</u>	<u>\$ 177,992</u>

Non Spendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The above amounts primarily relate to prepaid pensions and insurance costs as of the respective year end. The increase was attributable to a reduction in the amortizable amount of the pension contribution allowed by the state pension systems. These expenditures are included in the subsequent years' budget for pensions and insurance costs.

	<u>For years ended</u>		Increase (Decrease)
	<u>12/31/2016</u>	<u>12/31/2015</u>	
Unassigned	<u>\$ 8,612,851</u>	<u>\$ 9,699,985</u>	<u>\$(1,087,134)</u>

Total Revenues were \$100,253,373 for the year ending December 31, 2016 as compared to \$101,294,823 for the prior period for a net decrease of \$1,041,450. In 2015 the Sale of Property line included approximately \$1,794,000 from a cell tower sale. No sales of this magnitude occurred in 2016. Mortgage Tax collections increased \$966,000 over the prior year. The Town stayed within the tax cap for the 2016 tax levy as real property taxes were increased \$585,000.

Total Expenditures were \$105,271,852 for the current year as compared to \$103,204,877 for the year-ended December 31, 2015. The net decrease in Unassigned Fund Balance of \$1,087,134 was mainly attributable to payments for banked overtime in the Police Department exceeding the Budget by approximately \$684,000, new charges from Rockland County that were not budgeted for Tax Certiorari payments (\$455,000) and Out of County Community College Tuition Chargebacks (\$269,000). Other non-budgeted one-time items were payments for a 207c of \$165,000 and sick bank payout for a former employee of \$138,000. These unbudgeted expenditures were partially offset by reductions in staff in various departments.

Highway Fund Town Outside Village

This fund is used to account for revenues collected for the maintenance of roads in the incorporated areas of the Town and the Fund Balance is restricted for purposes of this fund. Revenues and Operating Transfers were \$14,438,322 for the current year as compared to \$14,387,051 for the previous year. The increase of \$51,271 was attributed to an increase in Insurance Recoveries and Road Opening Permits partially offset by continued reduction of Federal FEMA Aid that in prior years reimbursed for storm cleanup costs and improvements to road and drainage infrastructure.

Expenditures and Operating Transfers were \$13,911,576 for the year-ended December 31, 2016 versus \$14,045,653 for the comparable prior period. The decrease of \$134,077 was primarily due to a reduction in the purchase of asphalt (bituminous) for roads.

Capital Project Fund

This fund is used to account for capital project activity throughout the Town. The fund balance for the year ended December 31, 2016 and 2015 was \$2,832,259 and \$3,461,118, respectively. These amounts were restricted for the fund's stated purpose. The Town had serial bond proceeds of \$8,044,541 for 2016 versus \$9,687,740 for 2015. These resources are substantially used for the Town's hamlet revitalization projects and construction of various roads and drainage infrastructure improvements.

Non Major Funds

General Fund Town Outside Village

This fund provides public services related to the Building, Zoning Board of Appeals, Planning, and Sewer Operations and Maintenance Departments. Total Fund Balance was \$2,893,192 and \$2,775,480 for the years ended December 31, 2016 and 2015, respectively. Total current year revenues amounted to \$5,497,709 and represented an increase of \$70,041 from the prior year. The increase was primarily attributed to an increase in the Building Inspection Fees.

Highway Fund Town-wide

This fund provides municipal services primarily related to snow removal. Fund Balance was \$399,936 and \$307,972 for 2016 and 2015, respectively and represented a current year increase of \$91,964 as compared to a \$248,369 decrease in the prior year. This was attained through a decrease in expenditures, year-over-year, in overtime of \$384,000. This was partially offset by a reduction in State Aid.

Special District Fund-Sanitation

This fund is used to account for revenue collected to provide for refuse collection. Fund Balance was \$1,408,273 and \$755,561 for the years-ended December 31, 2016 and 2015 respectively, an increase of \$652,712. The increase in Fund Balance was due to a combination of Real Property Taxes increasing \$121,000 and expenditures decreasing \$386,000. The expenditure decrease was primarily due to a reduction in the cost of refuse pick-up.

Special District Fund-Lighting

This fund is used to account for revenues collected for public lighting. Fund Balance was \$279,844 as of December 31, 2016 and \$66,443 for the prior year end. Total revenues of \$1,452,458 were flat vs. the prior year while total expenditures of \$1,239,057 decreased \$239,000. The lower expenditures were the result of a reduction in Electric & Gas expenses of \$240,000.

Special District Fund – Ambulance

This fund is used to account for revenues collected to provide for ambulance service. Fund Balance was \$3,284,733 and \$3,234,220 for the years ended December 31, 2016 and 2015, respectively. Typically, these services are funded by real property taxes and billings to third parties as insurance recoveries. As the recovery rates increase additional funds become available to offset taxes to support the services provided by the various ambulance corps.

Special District Fund – Water

This fund is used to account for revenues collected for public hydrant services. Fund Balances were \$189,969 and \$103,025 for the current year end and the comparable prior period. Total revenues of \$2,542,965 exceeded total expenditures of \$2,456,021 by \$86,944 for the current year driving the increase in Fund Balance. This was the result in savings from water utility expenses.

Debt Service Fund

This fund is used to account for the financial resources transferred to this fund for payment of future principal and interest on long-term indebtedness. General obligation bonds of \$11,015,000 were issued during 2016 to advance refund \$11,425,000 of outstanding bonds. The aggregate budgetary savings on the transaction is approximately \$777,220.

Capital Asset and Debt Administration

Capital Assets - As of December 31, 2016 the Town's investment in capital assets for its governmental activity was \$181,166,898, net of accumulated depreciation and represented an increase of \$171,904 for the year. This investment in capital assets includes land, buildings, equipment, infrastructure improvements and construction-in-progress. The Town continued to invest in its' infrastructure through road reconstruction, improvements to recreational facilities, sewer pump stations, the Lighting District and drainage projects. The net investment was offset by an increase in accumulated depreciation of \$9,852,906.

Long-term Debt - At the end of the current fiscal year, the Town had total bonds and notes payable outstanding of \$109,874,541. The prior year end total was \$114,182,740. All of this debt is backed by the full faith and credit of the Town. Other long-term liabilities consisting of sanitary landfill post closure costs, pension obligations, judgments and claims and compensated absences totaled \$30,125,040 at December 31, 2016 and represented a decrease of \$1,739,521. In addition, the net OPEB obligation for other post employment benefits was \$94,998,982, an increase of \$12,868,969 for the current year. (Refer to notes to Financial Statements)

As mentioned in the Debt Service Fund section above during 2016, \$11,015,000 general obligation bonds were issued to advance refund \$11,425,000 of outstanding bonds. This was also done in 2014 when \$9,515,000 general obligation bonds were issued to advance refund \$9,850,000 of outstanding bonds.

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

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 information should be addressed to Town of Clarkstown Comptroller's Office, 10 Maple Avenue, New City, New York 10956. The telephone number is (845) 639-2020; fax number (845) 639-2019. E-mail address: comptroller@clarkstown.org

TOWN OF CLARKSTOWN
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	<u>Primary</u> <u>Government</u>	<u>Component</u> <u>Unit</u>
<u>ASSETS</u>		
Unrestricted Cash	\$ 22,962,890	\$ 207,581
Restricted Cash	2,143,129	260,596
Accounts Receivable	4,411,191	5,792
Assessments Receivables	166,039	-
Prepaid Expenses	2,828,579	14,258
Deposits	200,000	35,446
Residual Receipts Note Receivable - Component Unit	-	-
Accrued Interest on Note Receivable - Component Unit	-	-
Capital Assets, not being depreciated	74,814,100	264,963
Capital Assets (net)	<u>106,352,798</u>	<u>375,955</u>
<u>TOTAL ASSETS</u>	<u>\$ 213,878,726</u>	<u>\$ 1,164,591</u>
 <u>DEFERRED OUTFLOWS</u>		
Pensions	<u>\$ 49,064,088</u>	<u>\$ -</u>
 <u>LIABILITIES</u>		
Accounts Payable	\$ 2,942,209	\$ 141,061
Accrued Expenses	1,394,806	-
Accrued Interest Payable	848,748	-
Bond Anticipation Notes	-	-
Due to Fiduciary Funds	22,258	-
Special Assessment	166,039	-
Unearned Revenue	50,565	14,110
Due to Other Governments	-	39,794
Security	-	35,446
Noncurrent liabilities:		
Due within one year	21,285,706	-
Due in more than one year	213,712,857	-
Net Pension Liability - proportionate share	<u>38,105,710</u>	<u>-</u>
<u>TOTAL LIABILITIES</u>	<u>278,528,898</u>	<u>\$ 230,411</u>
 <u>DEFERRED INFLOWS</u>		
Bond Premium	806,116	-
Pensions	5,202,722	-
Defeasance Gain	249,678	-
Deferred Fees	<u>74,530</u>	<u>-</u>
	<u>6,333,046</u>	<u>\$ -</u>
 <u>NET POSITION</u>		
Investment in Capital Assets, net of related debt	75,062,357	\$ -
Restricted for:		
Capital	2,832,259	-
Special District Revenue Funds	11,048,716	-
DARE	23,399	-
Seized and Forfeited Property	1,018,624	-
Debt Redemption	922,241	-
Parklands	178,865	-
Unrestricted	<u>(113,005,591)</u>	<u>934,180</u>
<u>TOTAL NET POSITION</u>	<u>\$ (21,919,130)</u>	<u>\$ 934,180</u>

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

**TOWN OF CLARKSTOWN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

<u>FUNCTIONS/PROGRAMS</u>	Program Revenue			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General Support	\$ 26,013,172	\$ 157,957	\$ -	\$ -
Public Safety	65,439,891	3,164,160	376,477	78,377
Health	2,948,881	1,879,743	-	-
Transportation	2,994,050	403,541	1,360,547	-
Economic Assistance and Opportunity	90,550	-	-	-
Culture and Recreation	10,933,292	1,859,791	-	-
Home and Community Services	17,329,570	-	-	-
General Repairs and Maintenance	11,497,901	1,551,355	-	1,209,489
Debt Service	2,784,919	-	-	-
Depreciation - unallocated	9,884,192	-	-	-
<u>Total Primary Government</u>	<u>\$ 149,916,418</u>	<u>\$ 9,016,547</u>	<u>\$ 1,737,024</u>	<u>\$ 1,287,866</u>
Component Unit:				
<u>Total Component Unit</u>	<u>\$ 924,926</u>	<u>\$ 1,022,544</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL REVENUES

Taxes:
Property taxes, levied for general purposes
Non-property taxes
Franchise taxes
Grants and contributions not restricted to specific programs
Investment Earnings
Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

Total Net Position - Beginning of Year

Total Net Position - End of Year

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

Net (Expense) Revenue and
Changes in Net Position

	<u>Primary</u> <u>Government</u>	<u>Component</u> <u>Unit</u>
\$	(25,855,215)	
	(61,820,877)	
	(1,069,138)	
	(1,229,962)	
	(90,550)	
	(9,073,501)	
	(17,329,570)	
	(8,737,057)	
	(2,784,919)	
	(9,884,192)	
	<u>(137,874,981)</u>	
\$	-	\$ 97,618

	113,319,407	
	6,242,254	
	1,796,389	
	284,165	
	245,739	
	<u>6,185,933</u>	
	128,073,887	
	(9,801,094)	97,618
	<u>(12,118,036)</u>	<u>836,562</u>
\$	<u>(21,919,130)</u>	<u>\$ 934,180</u>

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

TOWN OF CLARKSTOWN
BALANCE SHEET - GOVERNMENT FUNDS
AS AT DECEMBER 31, 2016

	<u>General Fund</u> <u>Townwide</u>	<u>Highway Fund</u> <u>Town Outside</u> <u>Village</u>	<u>Capital</u> <u>Project Fund</u>
<u>ASSETS</u>			
<u>CASH</u>			
Demand Deposits	\$ 60,784	\$ -	\$ -
Time Deposits	7,957,570	2,051,942	3,132,020
Special Reserves	2,143,129	-	-
Departmental Petty Cash	5,300	200	-
<u>TOTAL CASH</u>	<u>10,166,783</u>	<u>2,052,142</u>	<u>3,132,020</u>
<u>RECEIVABLES</u>			
Accounts Receivable	3,479,377	484,336	30
Due from Other Funds	983,749	8,915	-
Assessments Receivable	166,039	-	-
<u>TOTAL RECEIVABLES</u>	<u>4,629,165</u>	<u>493,251</u>	<u>30</u>
<u>OTHER ASSETS</u>			
Prepaid Expenses	2,446,841	242,047	-
Other Deposits	200,000	-	-
<u>TOTAL OTHER ASSETS</u>	<u>2,646,841</u>	<u>242,047</u>	<u>-</u>
<u>TOTAL ASSETS</u>	<u>\$ 17,442,789</u>	<u>\$ 2,787,440</u>	<u>\$ 3,132,050</u>
<u>LIABILITIES & FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 1,709,771	\$ 72,727	\$ 248,023
Due to Other Funds	221,905	1,120	9,666
Accrued Expenses	1,156,459	120,530	-
Special Assessment	166,039	-	-
Unearned Revenues	8,169	294	42,102
<u>TOTAL LIABILITIES</u>	<u>3,262,343</u>	<u>194,671</u>	<u>299,791</u>
<u>DEFERRED INFLOWS</u>	<u>806,116</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>			
Non Spendable	2,446,841	242,047	-
Restricted for:			
DARE	23,399	-	-
Seized and Forfeited Property	1,018,624	-	-
Insurance	-	-	-
Debt Redemption	922,241	-	-
Parklands	178,865	-	-
Assigned to:			
Capital Projects	-	-	2,832,259
Special Revenue Funds	-	2,340,175	-
General Government Support	8,444	-	-
Public Safety	162,040	-	-
Transportation	-	10,547	-
Economic Assistance and Opportunity	-	-	-
Cultural and Recreation	152	-	-
Home and Community Services	873	-	-
Subsequent Years' Expenditures	-	-	-
Unassigned	8,612,851	-	-
<u>TOTAL FUND BALANCES</u>	<u>13,374,330</u>	<u>2,592,769</u>	<u>2,832,259</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 17,442,789</u>	<u>\$ 2,787,440</u>	<u>\$ 3,132,050</u>

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

Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,636	\$ 62,420
-	9,752,988	22,894,520
-	-	2,143,129
-	450	5,950
-	<u>9,755,074</u>	<u>25,106,019</u>
-	447,448	4,411,191
-	27,825	1,020,489
-	-	166,039
-	<u>475,273</u>	<u>5,597,719</u>
-	139,691	2,828,579
-	-	200,000
-	<u>139,691</u>	<u>3,028,579</u>
\$ -	\$ <u>10,370,038</u>	\$ <u>33,732,317</u>
\$ -	\$ 911,688	\$ 2,942,209
-	810,056	1,042,747
-	117,817	1,394,806
-	-	166,039
-	-	50,565
-	<u>1,839,561</u>	<u>5,596,366</u>
-	<u>74,530</u>	<u>880,646</u>
-	139,691	2,828,579
-	-	23,399
-	-	1,018,624
-	-	-
-	-	922,241
-	-	178,865
-	-	2,832,259
-	6,701,103	9,041,278
-	-	8,444
-	244	162,284
-	6,400	16,947
-	-	-
-	-	152
-	20,286	21,159
-	1,588,223	1,588,223
-	-	8,612,851
-	<u>8,455,947</u>	<u>27,255,305</u>
\$ -	\$ <u>10,370,038</u>	\$ <u>33,732,317</u>

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

TOWN OF CLARKSTOWN
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT WIDE STATEMENT OF NET POSITION - GOVERNMENT ACTIVITIES
DECEMBER 31, 2016

Amounts Reported for the Governmental Activities are Different Because:

Fund Balances - Total Government Funds	\$ 27,255,305
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	181,166,898
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unearned in the funds	-
Deferred amounts on Pensions	49,064,088
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(109,874,541)
Sanitary landfill post closure costs	(1,462,366)
Pension Obligations	(10,161,453)
Judgments and claims	(9,159,071)
Compensated absences	(9,342,150)
Other Postemployment Benefits	(94,998,982)
Net Pension Liability - proportionate share	(38,105,710)
Accrued interest payable	<u>(848,748)</u>
Governmental funds report the effects of premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on pensions	(5,202,722)
Deferred amounts on refunding bonds	<u>(249,678)</u>
Net Position of Governmental Activities	<u>\$ (21,919,130)</u>

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

TOWN OF CLARKSTOWN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund <u>Townwide</u>	Highway Fund Town Outside <u>Village</u>	Capital Project Fund
<u>REVENUES</u>			
Real Property Taxes	\$ 81,122,332	\$ 12,593,245	\$ -
Other Tax Items	3,211,800	-	-
Departmental Income	2,360,684	33,576	-
Use of Money and Property	392,065	22,202	10,048
Licenses and Permits	11,365	155,482	-
Fines and Forfeitures	1,049,394	-	-
Sale of Property and Compensation for Loss	50,844	142,947	-
Miscellaneous	7,266,235	1,327	728,238
Refund Prior Year Expenditures	-	-	-
Federal Aid	437,846	-	209,673
State Aid	4,350,808	914,543	271,579
<u>TOTAL REVENUES</u>	<u>100,253,373</u>	<u>13,863,322</u>	<u>1,219,538</u>
<u>EXPENDITURES</u>			
General Government Support	16,958,854	-	-
Public Safety	38,527,180	-	-
Health	-	-	-
Transportation	1,324,141	11,497,901	-
Economic Assistance Opportunity	90,550	-	-
Culture and Recreation	6,597,750	-	-
Capital Project Expenditures	-	-	9,896,063
Home and Community Services	1,643,104	-	-
Employee Benefits	24,862,022	-	-
Debt Service	15,268,251	-	-
<u>TOTAL EXPENDITURES</u>	<u>105,271,852</u>	<u>11,497,901</u>	<u>9,896,063</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,018,479)</u>	<u>2,365,421</u>	<u>(8,676,525)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Proceeds From:			
Operating Transfers In	3,941,079	575,000	3,125
Operating Transfers Out	(3,125)	(2,413,675)	-
Proceeds from Serial Bonds	-	-	8,044,541
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>3,937,954</u>	<u>(1,838,675)</u>	<u>8,047,666</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>(1,080,525)</u>	<u>526,746</u>	<u>(628,859)</u>
Fund Balance at Beginning of Year	<u>14,454,855</u>	<u>2,066,023</u>	<u>3,461,118</u>
Fund Balance at End of Year	<u>\$ 13,374,330</u>	<u>\$ 2,592,769</u>	<u>\$ 2,832,259</u>

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

Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 19,866,792	\$ 113,582,369
-	154,971	3,366,771
-	4,728,288	7,122,548
-	49,218	473,533
-	23,100	189,947
-	-	1,049,394
-	6,054	199,845
-	123,561	8,119,361
-	-	-
-	-	647,519
-	-	5,536,930
<u>-</u>	<u>24,951,984</u>	<u>140,288,217</u>
-	-	16,958,854
-	1,915,038	40,442,218
-	2,948,881	2,948,881
-	1,015,778	13,837,820
-	-	90,550
-	-	6,597,750
-	-	9,896,063
-	14,236,993	15,880,097
-	1,519,644	26,381,666
<u>12,230,944</u>	<u>-</u>	<u>27,499,195</u>
<u>12,230,944</u>	<u>21,636,334</u>	<u>160,533,094</u>
<u>(12,230,944)</u>	<u>3,315,650</u>	<u>(20,244,877)</u>
-	-	4,519,204
-	(2,102,404)	(4,519,204)
<u>12,230,944</u>	<u>-</u>	<u>20,275,485</u>
<u>12,230,944</u>	<u>(2,102,404)</u>	<u>20,275,485</u>
-	1,213,246	30,608
-	7,242,701	27,224,697
<u>\$ -</u>	<u>\$ 8,455,947</u>	<u>\$ 27,255,305</u>

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

TOWN OF CLARKSTOWN
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES - GOVERNMENT ACTIVITIES
DECEMBER 31, 2016

Amounts Reported for the Governmental Activities are Different Because:

Net Changes in Fund Balances - Total Government Funds	\$ <u>30,608</u>
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Residual Receipts	(172,893)
Pensions	<u>34,686,856</u>
	<u>34,513,963</u>

Governmental fund 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. Governmental funds also report the gross proceeds from the sale of capital assets in revenues. In the statement of net activities only the gain or loss from the disposal of the asset is reported. These are the amounts by which capital outlay exceeded depreciation and the gain on the disposal.

Capital outlay expenditures	10,110,444
Depreciation	(9,884,192)
Loss on Disposal of Assets	<u>(348)</u>
	<u>225,904</u>

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal paid on bonds and Bond Anticipation Notes	23,367,740
Bonds issued	(19,059,541)
Issuance premium and gain on refunding	<u>50,009</u>
	<u>4,358,208</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Retirement system	1,201,128
Landfill closure costs	331,594
Compensated absences	208,582
Other Postemployment Benefits	(12,868,969)
Insurance claims	(1,783)
Accrued interest	<u>80,583</u>
	<u>(11,048,865)</u>

Pension Liability - Proportionate Share	<u>(32,678,190)</u>
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Deferred inflows of resources related to pensions are not reported in governmental funds	<u>(5,202,722)</u>
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Change in Net Position of Governmental Activities	\$ <u>(9,801,094)</u>
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The accompanying notes are an integral part of the financial statements.

TOWN OF CLARKSTOWN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Favorable/</u> <u>(Unfavorable)</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 80,959,375	\$ 80,959,375	\$ 81,122,332	\$ 162,957
Other Tax Items	3,281,430	3,281,430	3,211,800	(69,630)
Departmental Income	2,478,000	2,478,000	2,360,684	(117,316)
Use of Money and Property	498,000	498,000	392,065	(105,935)
Licenses and Permits	10,000	10,000	11,365	1,365
Fines and Forfeitures	1,200,000	1,200,000	1,049,394	(150,606)
Sale of Property and Compensation for Loss	155,000	158,150	50,844	(107,306)
Miscellaneous	7,485,695	7,547,380	7,266,235	(281,145)
Federal Aid	241,000	343,770	437,846	94,076
State Aid	3,545,000	3,605,000	4,350,808	745,808
Refuse and Garbage	-	-	-	-
<u>TOTAL REVENUES</u>	<u>99,853,500</u>	<u>100,081,105</u>	<u>100,253,373</u>	<u>172,268</u>
<u>EXPENDITURES</u>				
General Government Support	16,010,525	16,958,854	16,958,854	-
Public Safety	37,471,055	38,527,180	38,527,180	-
Transportation	1,273,485	1,324,141	1,324,141	-
Economic Assistance Opportunity	77,500	90,550	90,550	-
Culture and Recreation	6,536,255	6,597,750	6,597,750	-
Home and Community Services	1,770,555	1,643,104	1,643,104	-
Employee Benefits	25,439,155	24,862,022	24,862,022	-
Debt Service	15,594,225	15,268,251	15,268,251	-
<u>TOTAL EXPENDITURES</u>	<u>104,172,755</u>	<u>105,271,852</u>	<u>105,271,852</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,319,255)	(5,190,747)	(5,018,479)	172,268
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From:				
Operating Transfers In	3,936,110	3,936,109	3,941,079	4,970
Operating Transfers Out	-	(3,125)	(3,125)	-
Proceeds from Serial Bonds	-	-	-	-
Appropriated Fund Balance	-	-	-	-
Reserve for Insurance	-	-	-	-
Reserve for Parklands	-	-	-	-
Unexpended Balance	-	575,853	-	(575,853)
Prior Appropriations	383,145	383,145	-	(383,145)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>4,319,255</u>	<u>4,891,982</u>	<u>3,937,954</u>	<u>(954,028)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	-	(298,765)	(1,080,525)	(781,760)
Fund Balance at Beginning of Year	<u>14,454,855</u>	<u>14,454,855</u>	<u>14,454,855</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,454,855</u>	<u>\$ 14,156,090</u>	<u>\$ 13,374,330</u>	<u>\$ (781,760)</u>

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

TOWN OF CLARKSTOWN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HIGHWAY TOWN OUTSIDE VILLAGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Favorable/</u> <u>(Unfavorable)</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 12,593,245	\$ 12,593,245	\$ 12,593,245	\$ -
Departmental Income	65,000	65,000	33,576	(31,424)
Use of Money and Property	6,000	6,000	22,202	16,202
Licenses and Permits	120,000	120,000	155,482	35,482
Sale of Property and Compensation for Loss	2,990	144,964	142,947	(2,017)
Miscellaneous	1,000	1,000	1,327	327
Refund Prior Year Expenditures	-	-	-	-
Federal Aid	-	-	-	-
State Aid	914,570	914,570	914,543	(27)
<u>TOTAL REVENUES</u>	<u>13,702,805</u>	<u>13,844,779</u>	<u>13,863,322</u>	<u>18,543</u>
<u>EXPENDITURES</u>				
Transportation	<u>11,864,130</u>	<u>12,029,233</u>	<u>11,497,901</u>	<u>531,332</u>
<u>TOTAL EXPENDITURES</u>	<u>11,864,130</u>	<u>12,029,233</u>	<u>11,497,901</u>	<u>531,332</u>
Excess (Deficiency) of Revenues Over Expenditures	1,838,675	1,815,546	2,365,421	549,875
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From:				
Operating Transfers In	575,000	575,000	575,000	-
Operating Transfers Out	(2,413,675)	(2,413,675)	(2,413,675)	-
Appropriated Fund Balance	-	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(1,838,675)</u>	<u>(1,838,675)</u>	<u>(1,838,675)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	-	(23,129)	526,746	549,875
Fund Balance at Beginning of Year	<u>2,066,023</u>	<u>2,066,023</u>	<u>2,066,023</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,066,023</u>	<u>\$ 2,042,894</u>	<u>\$ 2,592,769</u>	<u>\$ 549,875</u>

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

TOWN OF CLARKSTOWN
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2016

	<u>Agency Funds</u>
<u>ASSETS</u>	
<u>CASH</u>	
Demand Deposit	\$ 45,580
Time Deposits	3,167,238
Due From Other Governments	-
Due From Other Funds	<u>24,300</u>
	<u>3,237,118</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,237,118</u>
 <u>LIABILITIES</u>	
<u>LIABILITIES</u>	
Escrow and Other Deposits	\$ 3,043,430
Employee Payroll Deductions	130,442
Unclaimed Exonerated Bail	61,204
Due To Other Funds	<u>2,042</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 3,237,118</u>

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

TOWN OF CLARKSTOWN
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
DECEMBER 31, 2016

	Balance January 1, <u>2015</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2016</u>
<u>ASSETS</u>				
<u>CASH</u>				
Demand Deposit	\$ 35,136	\$ 83,329,659	\$ 83,319,215	\$ 45,580
Time Deposits	3,266,136	5,958,997	6,057,895	3,167,238
Due From Other Governments	-	-	-	-
Due From Other Funds	-	121,749	97,449	24,300
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TOTAL ASSETS</u>	<u>\$ 3,301,272</u>	<u>\$ 89,410,405</u>	<u>\$ 89,474,559</u>	<u>\$ 3,237,118</u>
 <u>LIABILITIES</u>				
<u>LIABILITIES</u>				
Escrow and Other Deposits	\$ 3,190,122	\$ 9,668,835	\$ 9,815,527	\$ 3,043,430
Employee Payroll Deductions	111,150	100,068,139	100,048,847	130,442
Unclaimed Exonerated Bail	-	65,287	4,083	61,204
Due To Other Funds	-	35,115	33,073	2,042
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TOTAL LIABILITIES</u>	<u>\$ 3,301,272</u>	<u>\$ 109,837,376</u>	<u>\$ 109,901,530</u>	<u>\$ 3,237,118</u>

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

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Clarkstown have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. FINANCIAL REPORTING ENTITY

The Town of Clarkstown, which was established in 1791, operates pursuant to the Town Law, Local Finance Law and other general laws of the State of New York and various local laws. The Town Board, which consists of five members, including the Supervisor, is the legislative body responsible for overall operations. The Supervisor serves as chief executive officer and as chief fiscal officer. The Comptroller is the accounting officer of the Town.

The reporting entity of the Town is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the Town. The Town is not a component unit of another reporting entity. The decision to include a potential component unit in the Town of Clarkstown's reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of an entity considered in determining the Town of Clarkstown's reporting entity.

Included in the Reporting Entity

The Corporation was organized as a Non-Profit Corporation formed November 27, 1971 to acquire an interest in real property located in Nanuet, New York and to construct and operate thereon an apartment complex of 107 units, under Section 215 of the National Housing Act. The rental assistance contract under Section 215 was canceled and replaced by a Section 8 Loan Management Set-Aside Contract as of August 30, 1982. Such projects are regulated by HUD as to rent changes and to operating methods. The project is managed by Arco Management Corp. under an agreement approved by HUD. The board is the same as the Town of Clarkstown's. The corporation is a component unit of the Town of Clarkstown and is discretely presented.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

B. BASIS OF PRESENTATION

i) Town-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the Town's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ii) Fund financial statements:

The fund statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

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

Highway Fund - used to account for revenue collected for the maintenance of roads in the unincorporated areas of the Town.

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

Debt Service Fund – used to account for financial resources transferred to this Fund for payment of future principal and interest on long-term indebtedness.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Special Revenue Funds - used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Special Revenue Funds of the Town consist of the Town Outside Villages Fund and Special District Funds. These funds have been established to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Additionally the Town reports the following fund type:

Fiduciary Fund: This fund is used to account for fiduciary activities. Fiduciary activities are those in which the Town acts as trustee or agent for resources that belong to others. These activities are not included in the Town-wide financial statements, because their resources do not belong to the Town, and are not available to be used.

Component Unit: This activity is accounted for on the accrual basis of accounting.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

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

The Town-wide and fiduciary fund (excluding the agency funds) financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, sanitary landfill postclosure costs, installment purchases, judgments and claims, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. PROPERTY TAXES

County real property taxes are levied annually no later than January 1st. Taxes are collected during the period January 1st to April 30th. Taxes for county purposes are levied together with taxes for Town and special district purposes as a single bill. The Town and special districts assume collection responsibility, and are charged directly by the County for the full amount of their levies regardless of the uncollected balance. Any such taxes remaining unpaid at year-end are relieved as county taxes in the subsequent year.

E. RESTRICTED RESOURCES

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Town's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

F. INTER-FUND TRANSFERS

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

In the town-wide statements, the amounts reported on the Statement of Net Position for inter-fund receivables and payables represent amounts due between different fund types (governmental activities, and fiduciary funds). Eliminations have been made for all inter-fund receivables and payables between the funds, with the exception of those due to or from the fiduciary funds.

Refer to Note V. G. for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

G. 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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

H. CASH AND INVESTMENTS

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and time deposits. New York State law governs the Town's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments are stated at fair value.

I. ACCOUNTS RECEIVABLE

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

J. INVENTORY AND PREPAID ITEMS

There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase.

Prepaid items represent payments made by the Town prior to year end for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the town-wide and fund financial statements. These items are reported as assets on the statement of net position or balance sheet using the consumption method. A current asset for prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

A portion of fund balance in the amount of these non-liquid assets has been identified as not available for other subsequent expenditures.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

K. CAPITAL ASSETS

Capital assets are defined by the Town as assets with an initial, individual cost of \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets of the primary government, as well as the component unit, are depreciated using the straight line method over the following estimated useful lives:

<u>Class</u>	<u>Life in Years</u>
Buildings & Improvements	50
Land improvements	5-50
Infrastructure	5-40
Furniture & Equipment	3-30

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the town-wide Statement of Net Position. This represents the effect of the net change in the Town's proportion of the collective net pension asset or liability and differences during the measurement period between the Town's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Lastly are the Town contributions to the pension systems (PFRS and ERS Systems) subsequent to the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows and resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has three items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue – property taxes.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

The second item is related to pensions reported in the town-wide Statement of Net Position. This represents the effect of the net change in the Town's proportion of the collective net pension liability (PFRS and ERS System) and differences during the measurement periods between the Town's contributions and its proportionate share of total contributions to the pension systems not included in pension expense.

M. UNEARNED REVENUE

The Town reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when the Town has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

N. VESTED EMPLOYEE BENEFITS

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

Consistent with GASB Statement 16, *Accounting for Compensated Absences*, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year-end.

In the fund statements only the amount of matured liabilities is accrued within the Fund based upon expendable and available resources. These amounts are expensed on a pay-as-you go basis.

O. OTHER BENEFITS

Town employees participate in the New York State Police and Fire Retirement System and the New York State Employees' Retirement System.

In addition to providing pension benefits, the Town provides post-employment health insurance coverage and survivor benefits to retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement.

Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town. Health care benefits are provided through an insurance company. The Town recognizes the cost of providing health insurance by recording its share of insurance premiums as expenditure.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

P. SHORT-TERM DEBT

The Town may issue Bond Anticipation Notes, in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds.

State Law requires that Bond Anticipation Notes issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, Bond Anticipation Notes issued for assessed 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.

Q. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

Payables, accrued liabilities and long-term obligations are reported in the town-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgements, other post employment benefits payable and compensated absences that will be paid from governmental funds, are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the Town's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

R. EQUITY CLASSIFICATIONS

Town-wide statements: In the town-wide statements there are three classes of net position:

Invested in capital assets, net of related debt – consists of net assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets

Restricted net position – reports when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – reports all other amounts that do not meet the definition of the above two classifications and are deemed to be available for general use by the Town.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Fund Statements: In the fund basis statements there are five classifications of fund balance:

Non-spendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes prepaid pension contributions in the following funds:

- General
- Highway Town Outside Village
- General Town Outside Village
- Highway Townwide
- Sanitation

Restricted fund balance 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:

DARE

This reserve is accounted for in the General Fund. This reserve is used for purchasing supplies for Drug Abuse Resistance Education purposes.

Seized and Forfeited Property

This reserve is accounted for in the General Fund. This reserve is used primarily for the acquisition of police equipment.

Debt Redemption

This reserve is accounted for in the General Fund.

Parklands

This reserve is accounted for in the General Fund. This reserve is used for parkland improvements and funded from money in-lieu-of land deposits.

Restricted fund balance includes the following:

General Fund:

DARE	\$ 23,399
Seized and Forfeited Property	1,018,624
Debt Redemption	922,241
Parklands	<u>178,865</u>
Total Restricted Funds	<u>\$ 2,143,129</u>

Committed fund balance includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the town board. The

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Town has no committed fund balances as of December 31, 2016.

Assigned fund balance includes amounts that are constrained by the town's intent to be used for specific purposes, but are neither restricted nor committed.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all operating funds. Encumbrances are reported as assigned fund balances since they do not constitute expenditures or liabilities.

The Town reports \$14,179,966 assigned to special district funds. All encumbrances are classified as Assigned Fund Balance. Encumbrances totaled \$171,509 in the General Fund and \$10,547 in the Highway Fund Townwide.

Unassigned fund balance 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 nonspendable 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, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as 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 CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

S. NEW ACCOUNTING STANDARDS

The Town has adopted and implemented the following current Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of December 31, 2016:

GASB has issued Statement No. 72, *Fair Value Measurement and Application* - Effective for the year ending December 31, 2016.

GASB has issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* - Effective for the year ending December 31, 2016.

T. FUTURE CHANGES IN ACCOUNTING STANDARDS

GASB has issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* - Effective for the year ending December 31, 2017, establishes new accounting and financial reporting requirements for OPEB plans.

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* - Effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*.

GASB has issued Statement No. 80, *Blending Requirements for Certain Component Units* – Effective for the year ending December 31, 2017.

GASB has issued Statement No. 82, *Pension Issues* – Effective for the year ending December 31, 2017. This Statement is an amendment of GASB Statements No. 67, No. 68 and No. 73.

GASB has issued Statement No. 83, *Certain Asset Retirement Obligations* – Effective for the year ending December 31, 2019.

GASB has issued Statement No. 84, *Fiduciary Activities* – Effective for the year ending December 31, 2019.

GASB has issued Statement No. 85, *Omnibus 2017* – Effective for the year ending December 31, 2018.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

U. SUBSEQUENT EVENTS EVALUATION BY MANAGEMENT

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is July 12, 2017.

V. RECLASSIFICATIONS

Certain prior year data has been reclassified to conform to the current year's presentation.

II. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND TOWN-WIDE STATEMENTS

Due to the differences in the measurement focus and the basis of accounting used in the governmental fund statements and the Town-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

1. Total fund balances of governmental funds versus net position of governmental activities:

Total fund balances of the Town's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

2. Statement of Revenues, Expenditures and Changes in Fund Balance versus Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

- i) Long-term revenue differences:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

ii) Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

iv) Pension differences:

Pension differences occur as a result of changes in the Town's proportion of the collective net pension asset/liability and differences between the Town's contributions and its proportionate share of the total contributions to the pension systems.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

III. STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY

A. BUDGETARY DATA

Budget Procedures

The Town Comptroller is responsible for the initial formulation of the budget to be presented to the Town Clerk by September 30th of each year. By October 5th, the Town Clerk must present the tentative budget to the Town Board, which then prepares the preliminary budget prior to the mandatory public hearing required to be held no later than the first Thursday after the general election of each year. Five days prior to such public hearing, notice of such public hearing must be published.

Final adoption of the preliminary budget must be accomplished on or before November 20th. The budget is not subject to referendum.

The Town Comptroller distributes budget estimate forms to all department heads early in August of each year and then conducts such financial analysis and review as is necessary to substantiate the budget requests. The preliminary budget is presented on a departmental basis by object of expense indicating the proposed budget, year-to-date expenditures of the current budget, the prior budget and prior two year's actual expenditures. The budgets for the highway funds and special district funds are presented in the same manner. Upon completion of this review, but prior to September 30th, when the report must be filed with the Town Clerk, the Town Board reviews the tentative budget. This review continues as the Board prepares its preliminary budget for public hearing.

The Town Board may, during the course of the year, make changes in the appropriations and other modifications of the budget as it deems necessary in accordance with the Town Law.

Budget Basis of Accounting

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

B. PROPERTY TAXES - FIRE DISTRICT

The taxes for the Fire District are levied with town and county real property taxes. These amounts are collected by the Town and transferred directly to the Fire District. For the years ended December 31, 2016 and 2015 \$8,540,377 and \$8,390,740, respectively, was collected.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
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IV. DETAIL NOTES ON ALL FUNDS

A. CASH (AND CASH EQUIVALENTS) CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS

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

The Town's aggregate bank balances, included balances not covered by depository insurance at year-end, collateralized as follows:

Uncollateralized	\$ -0-
Collateralized with securities held by the pledging financial institution, or its trust department or agent, but not in the Town's name	\$ 28,045,417

B. ASSESSMENT RECEIVABLE

Assessments Receivable of \$166,039 is the principal amount owed to the Town by individual taxpayers for road improvements made by the Town to undedicated roads where the taxpayers live and an aquatic district. The special assessment receivable is accounted for in the fund in which the debt service on special assessment obligations is paid. The current year activity is reported in the General Fund. The receivables shall be offset by unearned revenues if they are not "measurable" and "available".

The amount to be assessed, which includes principal and interest, for Pierce Street, South Grant Avenue, Glen Eagles Court, Ilona Lane, Lake Lucille and a water improvement district is \$183,415.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

C. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2016 were as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 24,898,358	\$ 106,363	\$ -	\$ 25,004,721
Construction in progress	<u>52,140,670</u>	<u>3,535,989</u>	<u>(5,867,280)</u>	<u>49,809,379</u>
Total nondepreciable historical cost	<u>\$ 77,039,028</u>	<u>\$ 3,642,352</u>	<u>\$ (5,867,280)</u>	<u>\$ 74,814,100</u>
Capital assets that are depreciated:				
Buildings & Improvements	\$ 54,081,613	\$ 5,431,247	\$ -	\$ 59,512,860
Land Improvements	7,164,733	144,606	-	7,309,339
Furniture & Equipment	35,167,665	1,675,627	(31,634)	36,811,658
Infrastructure	<u>154,758,567</u>	<u>5,083,892</u>	<u>-</u>	<u>159,842,459</u>
Total depreciable historical cost	<u>\$ 251,172,578</u>	<u>\$ 12,335,372</u>	<u>\$ (31,634)</u>	<u>\$ 263,476,316</u>
Less accumulated depreciation:				
Buildings & Improvements	\$ 17,403,928	\$ 1,205,169	\$ -	\$ 18,609,097
Land Improvements	3,510,102	347,755	-	3,857,857
Furniture & Equipment	24,794,639	2,155,328	(31,286)	26,918,681
Infrastructure	<u>101,561,943</u>	<u>6,175,940</u>	<u>-</u>	<u>107,737,883</u>
Total accumulated depreciation	<u>\$ 147,270,612</u>	<u>\$ 9,884,192</u>	<u>\$ (31,286)</u>	<u>\$ 157,123,518</u>
Total depreciable historical cost, net	<u>\$ 180,940,994</u>	<u>\$ 6,093,532</u>	<u>\$ (5,867,628)</u>	<u>\$ 181,166,898</u>

Depreciation expense was not allocated to governmental functions.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
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Discretely Presented Component Unit

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 264,963	\$ -	\$ -	\$ 264,963
Total nondepreciable historical cost	<u>\$ 264,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,963</u>
Capital assets that are depreciated:				
Buildings	\$ 3,702,754	\$ 156,667	\$ -	\$ 3,859,421
Furniture & Equipment	<u>565,395</u>	<u>19,125</u>	<u>-</u>	<u>584,520</u>
Total depreciable historical cost	<u>\$ 4,268,149</u>	<u>\$ 175,792</u>	<u>\$ -</u>	<u>\$ 4,443,941</u>
Less accumulated depreciation:				
Buildings & Improvements	\$ 3,537,215	\$ 83,446	\$ -	\$ 3,620,661
Furniture & Equipment	<u>444,624</u>	<u>18,713</u>	<u>-</u>	<u>463,337</u>
Total accumulated depreciation	<u>\$ 3,981,839</u>	<u>\$ 102,159</u>	<u>\$ -</u>	<u>\$ 4,083,998</u>
Total depreciable historical cost, net	<u>\$ 551,273</u>	<u>\$ 73,633</u>	<u>\$ -</u>	<u>\$ 624,906</u>

Depreciation expense was not allocated to governmental functions.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

D. SHORT-TERM DEBT

At December 31, 2016 the Town had no outstanding total short-term debt indebtedness.

Interest on short-term debt for the year was composed of:

Interest paid	\$	-0-
Less interest accrued in the prior year		-0-
Plus interest accrued in the current year		<u>-0-</u>
Total expense - full actual	\$	<u>- 0-</u>

E. 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 General Long-Term Debt Account Group. 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.

At December 31, 2016, the total outstanding indebtedness of the Town aggregated \$109,874,541. Of this amount, \$109,804,541 was subject to the constitutional debt limit and represented approximately 12.6% of its debt limit.

Interest on long-term debt for the year was composed of:

Interest paid	\$	3,275,540
Less interest accrued in the prior year		(929,331)
Plus interest accrued in the current year		<u>848,748</u>
Total expense - full accrual	\$	<u>3,194,975</u>

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Long-term liability balances and activity for the year are summarized below:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Government activities:					
Bonds and notes payable					
General obligation debt:					
Serial Bond Payable	\$ 113,232,740	\$ 19,059,541	\$ 22,487,740	\$ 109,804,541	\$ 11,774,541
State Clean Water Bonds	950,000	-	880,000	70,000	70,000
Total Bonds & notes payable	<u>\$ 114,182,740</u>	<u>\$ 19,059,541</u>	<u>\$ 23,367,740</u>	<u>\$ 109,874,541</u>	<u>\$ 11,844,541</u>
Other liabilities:					
Sanitary Landfill Postclosure					
Costs	\$ 1,793,960	\$ -	\$ 331,594	\$ 1,462,366	\$ 135,567
Pension Obligations	11,362,581	226,641	1,427,769	10,161,453	1,342,169
Judgements and Claims	9,157,288	1,636,249	1,634,466	9,159,071	1,600,000
Post Employment Benefits	82,130,013	17,215,092	4,346,123	94,998,982	4,563,429
Compensated Absences	9,550,732	1,450,368	1,658,950	9,342,150	1,800,000
Total Other liabilities	<u>\$ 113,994,574</u>	<u>\$ 20,528,350</u>	<u>\$ 9,398,902</u>	<u>\$ 125,124,022</u>	<u>\$ 9,441,165</u>
Total Long-term liabilities	<u>\$ 228,177,314</u>	<u>\$ 39,587,891</u>	<u>\$ 32,766,642</u>	<u>\$ 234,998,563</u>	<u>\$ 21,285,706</u>

On March 24, 2016, \$11,015,000 general obligation bonds with a net interest cost between 2.0 and 5.0% were issued to advance refund \$11,425,000 of outstanding bonds (\$7,300,000, and \$4,125,000 refunding of 2007 and 2008 bonds, respectively, with average interest rates of 4.25% and 4.25%, respectively). The net proceeds of \$12,104,426 (after payment of \$76,600 in underwriting fees, insurance and other issuance costs) were used to purchase U.S Treasury securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. The economic gain on the transaction is approximately \$705,524. The reacquisition price exceeded the net carrying amount of the old debt by \$673,627. These amounts are being netted and amortized over the remaining life of the refunding.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

The following is a summary of maturity of indebtedness at December 31, 2016:

General Purpose	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
	2009	10/2024	2.00-4.00	4,325,000
	2010	12/2030	2.0-3.5	5,870,000
	2010 Refunding	5/2023	2.06*	6,745,000
	2011-A	10/2031	2.00-4.00	11,100,000
	2011-B	10/2031	2.00-4.00	3,185,000
	2012	10/2032	1.00-3.00	14,200,000
	2013	12/2033	2.00-4.25	14,100,000
	2014 Refunding	5/2025	1.7481*	6,530,000
	2014**	6/2034	2.00-3.25	17,060,000
	2015	7/2035	2.00-3.25	9,055,000
	2016	6/2028	1.00-5.00	9,590,000
	2016	9/2031	2.00-2.25	<u>8,044,541</u>
TOTAL SERIAL BONDS PAYABLE				<u>\$ 109,804,541</u>

Lake Lucille	1998	4/2017	3.55-5.15	\$ <u>70,000</u>
Total Clean Water and Drinking				
Water Revolving Funds Revenue Bonds				\$ <u>70,000</u>

*Net interest cost

**The BAN of \$5,200,000 issued in October 2013 for a property tax refund matured on September 30, 2014. This BAN was redeemed with \$4,700,000 permanent financing and \$500,000 from 2014 operations

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
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<u>Maturity Year(s)</u>	<u>Bonds</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 11,774,541	\$ 3,164,135	\$ 14,938,676
2018	11,615,000	2,848,919	14,463,919
2019	10,920,000	2,513,994	13,433,994
2020	10,410,000	2,192,805	12,602,805
2021	9,120,000	1,909,669	11,029,669
5 Subsequent years	34,630,000	6,010,018	40,640,018
5 Subsequent years	18,250,000	1,998,874	20,248,874
5 Subsequent years	<u>3,155,000</u>	<u>175,582</u>	<u>3,330,582</u>
 Total	 <u>\$ 109,874,541</u>	 <u>\$ 20,813,996</u>	 <u>\$ 130,688,537</u>

In addition to the debt shown above, the following long-term debt has been authorized but remains unissued at December 31, 2016.

Drainage – Phillips Hill Road *	\$ 225,000
Central Nyack Drainage Improvements	220,000
West Nyack Drainage Improvements**	450,000
Improvements – 9/11 Memorial Courtyard	98,000
Acquisition of Large Format Plotter	16,700
West Nyack Downtown Revitalization***	5,610,000
Acquisition of Land – Marydell Property	300,000
Improvements – 911 Dispatch System	590,000
Acquisition of Land - West Nyack Revitalization	210,000
Renovations to Germonds Pool Complex	55,000
Reconstruction of Traphagen House	27,000
Drainage – Heaton’s Pond *	<u>540,000</u>
	<u>\$ 8,341,700</u>

* The Town has applied to FEMA for funding these projects

** Grant applied for.

*** Grant applied for - \$1,250,000

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

F. PENSION PLANS

Plan Descriptions and Benefits Provided

The Town participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The Systems are noncontributory for the employee who joined prior to July 27, 1976. For employees who joined after July 27, 1976, and prior to January 1, 2010 (ERS) and January 9, 2010 (PFRS), employees contribute 3% to 3.5% of their salary. With the exception of tier V and VI employees, employees in the system more than ten years are no longer required to contribute. In addition, employee contribution rates under tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

The required contributions for the current year and two preceding years were:

	<u>ERS</u>	<u>PFRS</u>
2016	\$ 5,125,628	\$ 7,439,678
2015	\$ 5,284,894	\$ 7,029,196
2014	\$ 4,863,797	\$ 6,435,192

In 2003 the New York State Legislature established a required 4.5% minimum payment. If

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

in future years, the valuation process produces a regular employer contribution rate that is lower than 4.5%, the Retirement System will bill at the 4.5% rate. If the valuation process produces a rate that exceeds 4.5%, then the Retirement System will bill at the higher employer contribution rate. Since 2003 the rates have exceeded the required minimum payments.

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

At December 31, 2016, the Town reported the following liability for its proportionate share of the net pension liability for each of the Systems. The net pension was measured as of March 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in a report provided to the Town.

	<u>ERS</u> <u>3/31/2016</u>	<u>PFRS</u> <u>3/31/2016</u>
Actuarial valuation date		
Net pension liability	\$ 17,100,279	\$ 21,005,431
Town's portion of the Plan's total		
Net pension liability	0.1065419%	0.7094543%

For the year ended December 31, 2016, the Town's recognized pension expense of \$6,280,909 for ERS and \$8,091,444 for PFRS. At December 31, 2016 the Town's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>PFRS</u>	<u>ERS</u>	<u>PFRS</u>
Differences between expected and actual experience	\$ 86,412	\$ 188,400	\$ 2,026,953	\$ 3,175,769
Changes of assumptions	4,560,129	9,055,372	-	-
Net difference between projected and actual earnings on pension plan investments	10,144,824	11,771,846	-	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	610,517	1,656,585	-	-
Town contributions subsequent to the measurement date	<u>4,225,227</u>	<u>6,764,776</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 19,627,109</u>	<u>\$ 29,436,979</u>	<u>\$ 2,026,953</u>	<u>\$ 3,175,769</u>

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Town contributions of \$4,225,227 and \$6,764,776 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>PFRS</u>
Year ended June 30:		
2017	\$ 3,409,266	\$ 4,571,495
2018	3,409,267	4,571,496
2019	3,409,267	4,571,496
2020	3,147,129	4,407,587
2021	-	1,374,360
Thereafter	-	-

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as follows:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2016	March 31, 2016
Actuarial valuation date	April 1, 2015	April 1, 2015
Interest rate	7.5%	7.5%
Salary scale	4.8%	5.4%
Decrement tables	April 1, 2005 - March 31, 2010 System's Experience	April 1, 2005 - March 31, 2010 System's Experience
Inflation rate	2.7%	2.7%

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Annuitant mortality rates are based on April 1, 2005 – March 31, 2010 System's experience with adjustments for mortality improvements based on the Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.30%
International Equity	13%	8.55%
Real Estate	8%	8.25%
Private Equity	10%	11.00%
Absolute Return Strategies	3%	6.75%
Opportunistic Portfolio	3%	8.60%
Real Assets	3%	8.65%
Bonds and Mortgages	18%	4.00%
Cash	2%	2.25%
Inflation-indexed Bonds	2%	4.00%
Total	<u>100%</u>	

Discount Rate

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

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption

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

	<u>1%</u> <u>Decrease</u> <u>(6.0%)</u>	<u>Current</u> <u>Assumption</u> <u>(7.0%)</u>	<u>1%</u> <u>Increase</u> <u>(8.0%)</u>
Employer's proportionate share Of the net pension liability:			
ERS	\$ 38,559,888	\$17,100,279	(\$ 1,032,173)
PFRS	\$ 46,917,840	\$21,005,431	(\$ 714,783)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the March 31, 2016, were as follows:

	(Dollars in Thousands)		
	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
Employers' total pension liability	\$ 172,303,544	\$ 30,347,727	\$ 202,651,271
Plan Net Position	<u>156,253,265</u>	<u>27,386,940</u>	<u>183,640,205</u>
Employers' net pension liability	<u>\$ 16,050,279</u>	<u>\$ 2,960,787</u>	<u>\$ 19,011,066</u>

Ratio of plan net position to the Employers' total pension liability	90.68%	90.24%	90.62%
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Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Prepaid retirement contributions as of December 31, 2016 represent the projected employer contribution for the period of January 1, 2017 through March 31, 2017 based on paid ERS and PFRS wages multiplied by the employer's contribution rate, by tier. Prepaid retirement contributions as of December 31, 2016 amounted to \$1,041,311 and \$1,649,530, respectively.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

G. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at December 31, 2016 were as follows:

<u>Fund Type</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Townwide	\$ 983,749	\$ 221,905
Capital Projects	-	9,666
Highway Town Outside Villages	-	-
General Town Outside Villages	432	14,870
Highway Townwide	8,915	1,120
Special District – Water	-	-
Special District – Ambulance	14,718	-
Special District – Lighting	-	27,678
Sanitation District	<u>12,675</u>	<u>767,508</u>
Subtotal	1,020,489	1,042,747
Trust & Agency	<u>24,300</u>	<u>2,042</u>
TOTAL	<u>\$1,044,789</u>	<u>\$ 1,044,789</u>

H. POST RETIREMENT BENEFITS

The premiums paid during the year were \$4,346,123, which primarily consisted of 15 individuals at \$849.01 per month, 126 individuals \$452.79 per month, 69 families at \$1,9126.21 per month, 43 families at \$1,530.00 per month and 98 families at \$1,133.77 per month. This amount is adjusted for amounts paid to retirees for Medicare reimbursement and for reimbursement paid to the Town by retirees.

The Town provides post employment (health insurance, life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Town's contractual agreements.

The Town implemented GASB Statement #45, Accounting and Financial Reporting by employers for Postemployment Benefits Other than Pensions, in the year ended December 31, 2008. This required the Town to calculate and record a net other post-employment benefit obligation at year-end. The net other post-employment benefit obligation is basically the cumulative difference between the actuarially required contribution and the actual contributions made.

The Town recognizes the cost of providing health insurance annually as expenditures in its major and non-major Funds of the funds financial statements as payments are made. For the year ended December 31, 2016 the Town recognized \$4,346,123 for its share of

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

insurance costs currently for enrolled retirees.

The Town has obtained an actuarial valuation report as of December 31, 2016 which indicates that the net OPEB obligation for other post employment benefits is \$94,998,982, which is reflected in the Statement of Net Position.

Plan Description: The healthcare plan (HP) is a single-employer defined benefit healthcare plan administered by the Town. HP provides medical insurance benefits to eligible retirees and their spouses. The Town assigns the authority to establish and amend benefit provisions to the Town Board.

Funding Policy:

The contribution requirements of Plan members and the Town are established by the Town Board. The required contribution is based on projected pay-as-you-go financial requirements. For fiscal year 2016, the Town contributed \$4,346,123 to the plan for current costs. Until changes are made in New York State law to permit funding, there is no legal authority to fund OPEB other than "pay as you go". Plan members receiving benefits contributed according to their bargaining unit agreement and hire date.

Annual OPEB Cost and Net OPEB Obligation: The Town's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed over thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actuarially contributed to the plan, and changes in the Town's net OPEB obligation to HP:

Annual required contribution as of December 31, 2016	\$ 18,679,689
Interest on net OPEB obligation	3,285,200
Adjustment to annual required contribution	<u>(4,749,797)</u>
Annual OPEB cost (expense)	\$ 17,215,092
Contributions made	<u>(4,346,123)</u>
Increase in net OPEB obligation	\$ 12,868,969
Net OPEB obligation-beginning of year	<u>82,130,013</u>
Net OPEB obligation-end of year	<u>\$ 94,998,982</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current year and two preceding years is as follows:

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2016	\$17,215,092	25.25%	\$94,998,982
12/31/2015	\$17,310,139	24.61%	\$82,130,013
12/31/2014	\$16,667,469	24.43%	\$69,080,379

Funded Status and Funding Progress:

As of January 1, 2016, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial liability for benefit was \$208,254,427, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$208,254,427. The covered payroll (annual payroll of active employees covered by the plan) was \$60,982,300, and the ratio of the UAAL to the covered payroll was 3.41. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2016 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return. An annual healthcare cost trend rate of 7.50 initially, reduced by decrements to an ultimate rate of 3.886% and 5.800% for Medicare Part B premiums. Both rates included an inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2016, was 24 years

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

for the Special District Lighting Fund and 30 years for all other funds.

I. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; certain health claims; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

J. LEASE COMMITMENTS AND LEASED ASSETS

The Town has also entered into long-term contracts pertaining to garbage collection and disposal with various companies, which are due to expire in December 2017. The total expenditures incurred under such contracts for the fiscal year ended December 31, 2016 were approximately \$8,380,364. The future estimated payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
2017	\$ 8,461,853
2018	\$ 41,018

V. CONTINGENCIES

A. FEDERAL AND STATE GRANTS

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

B. LEGAL

The Town is also a defendant in numerous certiorari proceedings, the results of which generally require tax refunds on the part of the Town. Refunds of this nature are normally not made directly by the Town, but rather by the County, said refunds being added to the County tax warrant for the Town in the subsequent year. The dollar value of such actions currently pending was unavailable, due to the fact that each case is determined on a case by case basis.

In addition, if the Town has been named defendant in any other actions, information pertaining to these claims can be obtained from the Town Clerk.

TOWN OF CLARKSTOWN
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

C. SOLID WASTE LANDFILL POSTCLOSURE CARE COSTS

The Town operated a landfill site located in the southeastern portion of the Town. State and Federal laws required the Town to close the landfill when it reached capacity, which was December 31, 1990. The Town is also required to monitor and maintain the site for thirty subsequent years.

The Town received certification for closure in 1998 and began the 30 year monitoring then. In accordance with GASB Statement 18 the Town has recorded post closure care costs of \$1,462,366. This amount represents the estimated costs for maintaining and monitoring the landfill for the next 13 years.

D. RISK RETENTION - INDIVIDUAL ENTITIES (OTHER THAN POOLS)

The Town of Clarkstown is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town accounts for and finances its uninsured risks of loss in its General, Town Outside Village, Highway and Sanitation District Funds. Under this program, for Worker's Compensation, until 2003, the Town retained \$65,000 per occurrence and unlimited aggregate losses. Beginning January 1, 2004 the Town increased Worker's Compensation retention to \$350,000 (\$450,000 for Police) the Town has increased this retention over the years and effective January 1, 2015 the retention was increased to \$1,250,000 for all classes of employees. For Liability coverage, the Town presently retains \$50,000 per occurrence and for Property coverages the Town retains \$50,000 per occurrence. The Town purchases commercial insurance in excess of coverage provided by the Funds and for all other risks of loss. Settled claims have not exceeded these commercial coverages in any of the past three fiscal years.

The General, Town Outside Village, Highway and Sanitation Funds of the Town budget appropriations for insurance premiums and claims are based on estimates developed from prior year expenditures. The recommended claims liability of \$9,159,071, which is included in Judgments and Claims, is based upon a report prepared by Financial Risk Analysts, actuaries, provided solely for use of the Town of Clarkstown in evaluating its self-insured liability as of December 31, 2016. The liability estimate provided above was intended to provide for all losses incurred by the Town during the period July 1, 1984 through December 31, 2016 under the terms and conditions of the self insured retentions of its commercial insurance policies. It includes a provision for the following:

- Losses on claims that have occurred but that are not yet known and not yet reported to the Town.
- Case reserves as established by the Town's claim administrators for known, recorded claims.
- Future loss development on known, recorded claims.

TOWN OF CLARKSTOWN
GENERAL FUND TOWNWIDE
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Demand Deposits	\$ 60,784	\$ 53,870
Time Deposits	7,957,570	8,158,751
Special Reserve	2,143,129	2,032,281
Petty Cash	5,300	5,300
<u>TOTAL CASH</u>	<u>10,166,783</u>	<u>10,250,202</u>
 <u>RECEIVABLES</u>		
Accounts Receivable	3,479,377	3,268,246
Due From Other Funds	983,749	1,882,191
Assessment Receivables - Deferred	166,039	233,796
<u>TOTAL RECEIVABLES</u>	<u>4,629,165</u>	<u>5,384,233</u>
 <u>OTHER ASSETS</u>		
Prepaid Expenses	2,446,841	2,269,849
Other Deposits	200,000	200,000
<u>TOTAL OTHER ASSETS</u>	<u>2,646,841</u>	<u>2,469,849</u>
<u>TOTAL ASSETS</u>	<u>\$ 17,442,789</u>	<u>\$ 18,104,284</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,709,771	\$ 1,014,368
Due to Other Funds	221,905	54,661
Accrued Expenses	1,156,459	1,363,291
Special Assessment	166,039	233,796
Unearned Revenues	8,169	104,592
<u>TOTAL LIABILITIES</u>	<u>3,262,343</u>	<u>2,770,708</u>
<u>DEFERRED INFLOWS</u>	<u>806,116</u>	<u>878,721</u>
 <u>FUND BALANCE</u>		
Non Spendable	2,446,841	2,269,849
Restricted for:		
DARE & DWI	23,399	11,513
Seized & Forfeited Property	1,018,624	980,567
Insurance	-	-
Debt Redemption	922,241	1,049,563
Parklands	178,865	177,430
Assigned to:		
General Government Support	8,444	17,465
Public Safety	162,040	243,030
Transportation	-	-
Economic Assistance and Opportunity	-	1,485
Cultural and Recreation	152	3,968
Home and Community Services	873	-
Subsequent Years' Expenditures	-	-
Unassigned:	8,612,851	9,699,985
<u>TOTAL FUND BALANCE</u>	<u>13,374,330</u>	<u>14,454,855</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 17,442,789</u>	<u>\$ 18,104,284</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND TOWNWIDE
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 81,122,332	\$ 80,537,481
Other Tax Items	3,211,800	3,100,907
Departmental Income	2,360,684	2,474,004
Use of Money and Property	392,065	521,198
Licenses and Permits	11,365	9,722
Fines and Forfeitures	1,049,394	1,133,967
Sales of Property and Compensation for Loss	50,844	1,872,383
Miscellaneous	7,266,235	7,967,499
Federal Aid	437,846	283,398
State Aid	4,350,808	3,394,264
<u>TOTAL REVENUE</u>	<u>100,253,373</u>	<u>101,294,823</u>
<u>EXPENDITURES</u>		
General Government Support	16,958,854	16,414,394
Public Safety	38,527,180	37,575,004
Transportation	1,324,141	1,292,675
Economic Assistance and Opportunity	90,550	56,149
Culture and Recreation	6,597,750	6,548,601
Home and Community Service	1,643,104	1,608,150
Employee Benefits	24,862,022	24,116,057
Debt Service	15,268,251	15,593,847
<u>TOTAL EXPENDITURES</u>	<u>105,271,852</u>	<u>103,204,877</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Operating Transfers In	3,941,079	3,845,246
Operating Transfer Out	(3,125)	(3,125)
Proceeds from BAN's	-	-
Proceeds from Serial Bonds	-	-
<u>TOTAL SOURCES (USES)</u>	<u>3,937,954</u>	<u>3,842,121</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,080,525)	1,932,067
Fund Balance at Beginning of Year	<u>14,454,855</u>	<u>12,522,788</u>
Fund Balance at End of Year	<u>\$ 13,374,330</u>	<u>\$ 14,454,855</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REAL PROPERTY TAXES								
Real Property Taxes	\$ 80,165,955	\$ 80,165,955	\$ 80,363,285	\$ 197,330	\$ 79,615,950	\$ 79,615,950	\$ 79,673,983	\$ 58,033
Real Property Taxes - Open Space Initiative	693,420	693,420	496,085	(197,335)	725,640	725,640	725,640	-
Repair/Violation Charges	20,000	20,000	197,335	177,335	20,000	20,000	9,708	(10,292)
Town Pro-rated Taxes	80,000	80,000	65,627	(14,373)	50,000	50,000	128,150	78,150
TOTAL REAL PROPERTY TAXES	80,959,375	80,959,375	81,122,332	162,957	80,411,590	80,411,590	80,537,481	125,891
OTHER TAX ITEMS:								
Franchise Fees	1,800,000	1,800,000	1,796,390	(3,610)	1,700,000	1,700,000	1,723,119	23,119
Interest and Penalties on Real Property Taxes	150,000	150,000	122,003	(27,997)	90,000	90,000	139,816	49,816
Other Payments in Lieu of Taxes	1,331,430	1,331,430	1,293,407	(38,023)	1,241,640	1,241,640	1,237,972	(3,668)
TOTAL OTHER TAX ITEMS	3,281,430	3,281,430	3,211,800	(69,630)	3,031,640	3,031,640	3,100,907	69,267
DEPARTMENTAL INCOME:								
Town Clerk Fees	40,000	40,000	39,455	(545)	40,000	40,000	34,127	(5,873)
Police Fees	6,000	6,000	9,514	3,514	6,000	6,000	4,544	(1,456)
Enforcement Education	4,000	4,000	960	(3,040)	2,000	2,000	3,540	1,540
Alarm Permits	8,000	8,000	5,400	(2,600)	12,000	12,000	6,390	(5,610)
Alarm Violations	30,000	30,000	26,300	(3,700)	15,000	15,000	26,950	11,950
Fingerprinting	5,000	5,000	2,440	(2,560)	6,000	6,000	4,450	(1,550)
Transportation: Mini-Trans Fare Box	75,000	75,000	64,777	(10,223)	70,000	70,000	71,001	1,001
Park & Recreation Charges	1,400,000	1,400,000	1,322,897	(77,103)	1,325,000	1,325,000	1,297,715	(27,285)
Mini Golf	15,000	15,000	13,535	(1,465)	15,000	15,000	14,819	(181)
Concessions	4,000	4,000	3,500	(500)	10,000	10,000	3,000	(7,000)
Beach and Pool Charges	575,000	575,000	509,693	(65,307)	550,000	550,000	497,193	(52,807)
Settlements	-	-	-	-	-	-	7,025	7,025
Donations - Police	115,000	115,000	306,656	191,656	115,000	115,000	291,313	176,313
Assessor Fees	2,000	2,000	3,803	1,803	2,000	2,000	1,605	(395)
Public Service - Other Government	4,000	4,000	1,099	(2,901)	2,000	2,000	1,518	(482)
Environmental Fees	195,000	195,000	50,655	(144,345)	175,000	175,000	208,814	33,814
TOTAL DEPARTMENTAL INCOME	2,478,000	2,478,000	2,360,684	(117,316)	2,345,000	2,345,000	2,474,004	129,004
BALANCE CARRIED FORWARD	\$ 86,718,805	\$ 86,718,805	\$ 86,694,816	\$ (23,989)	\$ 85,788,230	\$ 85,788,230	\$ 86,112,392	\$ 324,162

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
<u>BALANCE BROUGHT FORWARD</u>	\$ 86,718,805	\$ 86,718,805	\$ 86,694,816	\$ (23,989)	\$ 85,788,230	\$ 85,788,230	\$ 86,112,392	\$ 324,162
<u>USE OF MONEY AND PROPERTY</u>								
Interest Earnings	370,000	370,000	337,163	(32,837)	355,000	355,000	348,800	(6,200)
Commissions	500	500	650	150	500	500	736	236
Vending Commissions	2,500	2,500	2,267	(233)	5,000	5,000	1,735	(3,265)
Rental of Property	125,000	125,000	51,985	(73,015)	175,000	175,000	169,927	(5,073)
<u>TOTAL USE OF MONEY AND PROPERTY</u>	<u>498,000</u>	<u>498,000</u>	<u>392,065</u>	<u>(105,935)</u>	<u>535,500</u>	<u>535,500</u>	<u>521,198</u>	<u>(14,302)</u>
<u>LICENSES AND PERMITS:</u>								
Bingo Licenses	2,000	2,000	1,470	(530)	2,000	2,000	1,650	(350)
Dog Licenses	7,500	7,500	7,815	315	7,500	7,500	7,742	242
License Agreements	500	500	580	80	500	500	330	(170)
Other Departmental Income	-	-	1,500	1,500	-	-	-	-
<u>TOTAL LICENSES AND PERMITS</u>	<u>10,000</u>	<u>10,000</u>	<u>11,365</u>	<u>1,365</u>	<u>10,000</u>	<u>10,000</u>	<u>9,722</u>	<u>(278)</u>
<u>FINES AND FORFEITURES</u>								
Fines & Forfeited Bail	1,195,000	1,195,000	1,047,034	(147,966)	1,190,000	1,190,000	1,131,697	(58,303)
Dog Impoundments	3,000	3,000	2,360	(640)	3,000	3,000	2,270	(730)
Seized and Forfeited Property - State	2,000	2,000	-	(2,000)	2,000	2,000	-	(2,000)
<u>TOTAL FINES AND FORFEITURES</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,049,394</u>	<u>(150,606)</u>	<u>1,195,000</u>	<u>1,195,000</u>	<u>1,133,967</u>	<u>(61,033)</u>
<u>SALES OF PROPERTY AND COMPENSATION FOR LOSS</u>								
Scrap Recycling	-	-	1,338	1,338	-	-	-	-
Equipment & Property Sales	100,000	100,000	7,085	(92,915)	185,000	185,000	83,363	(101,637)
Easement	-	-	-	-	-	-	1,750,000	1,750,000
Insurance Recoveries	55,000	58,150	42,421	(15,729)	55,000	55,000	39,020	(15,980)
<u>TOTAL SALES OF PROPERTY & COMPENSATION FOR LOSS</u>	<u>155,000</u>	<u>158,150</u>	<u>50,844</u>	<u>(107,306)</u>	<u>240,000</u>	<u>240,000</u>	<u>1,872,383</u>	<u>1,632,383</u>
<u>BALANCE CARRIED FORWARD</u>	<u>\$ 88,581,805</u>	<u>\$ 88,584,955</u>	<u>\$ 88,198,484</u>	<u>\$ (386,471)</u>	<u>\$ 87,768,730</u>	<u>\$ 87,768,730</u>	<u>\$ 89,649,662</u>	<u>\$ 1,880,932</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
<u>BALANCE BROUGHT FORWARD</u>	\$ 88,581,805	\$ 88,584,955	\$ 88,198,484	\$ (386,471)	\$ 87,768,730	\$ 87,768,730	\$ 89,649,662	\$ 1,880,932
<u>MISCELLANEOUS</u>								
Refunds of Prior Years Exp.	15,000	15,000	345,175	330,175	105,000	105,000	680,129	575,129
Miscellaneous Fees	145,000	145,000	244,562	99,562	270,000	300,000	237,927	(62,073)
Data Processing Fees	-	-	-	-	-	-	-	-
Gifts and Donations	150,000	167,546	281,172	113,626	150,000	169,986	267,881	97,895
Transfer from Money-in-Lieu of Land	240,000	245,815	7,250	(238,565)	240,000	240,000	43,500	(196,500)
Bid Deposits	10,000	10,000	750	(9,250)	9,000	9,000	3,325	(5,675)
Special Road Improvements	75,695	75,695	75,621	(74)	77,000	77,000	76,348	(652)
Paramedic Recovery	1,400,000	1,400,000	1,052,872	(347,128)	1,400,000	1,400,000	1,206,460	(193,540)
School District Reimbursement (SRO)	340,000	340,000	333,363	(6,637)	325,000	325,000	329,945	4,945
Rockland County DWI	10,000	10,000	14,850	4,850	10,000	10,000	11,540	1,540
Rockland County Revenue Tax Sharing	3,700,000	3,700,000	3,514,088	(185,912)	3,700,000	3,700,000	3,355,942	(344,058)
Rockland County Seized Funds	-	38,324	48,381	10,057	-	-	415,277	415,277
Solid Waste Authority - Host Fee	1,400,000	1,400,000	1,348,151	(51,849)	1,064,000	1,064,000	1,339,225	275,225
<u>TOTAL MISCELLANEOUS</u>	<u>7,485,695</u>	<u>7,547,380</u>	<u>7,266,235</u>	<u>(281,145)</u>	<u>7,350,000</u>	<u>7,399,986</u>	<u>7,967,499</u>	<u>567,513</u>
<u>FEDERAL AID</u>								
Medicare "D" Reimbursement	-	-	-	-	-	-	6,031	6,031
Bullet Proof Vests	1,000	1,000	17,218	16,218	-	-	852	852
Homeland Security	100,000	195,183	340,000	144,817	100,000	100,000	-	(100,000)
Governor's Traffic Safety (GTS)	20,000	20,000	19,259	(741)	20,000	20,000	14,752	(5,248)
Seized and Forfeited Property	50,000	57,587	29,996	(27,591)	75,000	140,479	21,149	(119,330)
Byrnes Law Enforcement Grant	50,000	50,000	-	(50,000)	50,000	50,000	-	(50,000)
Community Development Funds	20,000	20,000	24,699	4,699	-	-	16,016	16,016
FEMA	-	-	6,674	6,674	-	-	224,598	224,598
<u>TOTAL FEDERAL AID</u>	<u>241,000</u>	<u>343,770</u>	<u>437,846</u>	<u>94,076</u>	<u>245,000</u>	<u>310,479</u>	<u>283,398</u>	<u>(27,081)</u>
<u>BALANCE CARRIED FORWARD</u>	<u>\$ 96,308,500</u>	<u>\$ 96,476,105</u>	<u>\$ 95,902,565</u>	<u>\$ (573,540)</u>	<u>\$ 95,363,730</u>	<u>\$ 95,479,195</u>	<u>\$ 97,900,559</u>	<u>\$ 2,421,364</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
<u>BALANCE BROUGHT FORWARD</u>	\$ 96,308,500	\$ 96,476,105	\$ 95,902,565	\$ (573,540)	\$ 95,363,730	\$ 95,479,195	\$ 97,900,559	\$ 2,421,364
<u>STATE AID</u>								
Per Capita	410,000	410,000	411,429	1,429	410,000	410,000	411,429	1,429
Mortgage Tax	2,700,000	2,700,000	3,429,009	729,009	2,400,000	2,400,000	2,463,327	63,327
Transportation : Mini-Trans	435,000	435,000	446,003	11,003	425,000	425,000	405,246	(19,754)
Youth Program	-	-	-	-	-	-	-	-
Youth Court	-	-	-	-	8,000	8,000	-	(8,000)
Community Projects	-	60,000	61,375	1,375	-	-	1,075	1,075
FEMA	-	-	2,992	2,992	-	-	113,187	113,187
<u>TOTAL STATE AID</u>	3,545,000	3,605,000	4,350,808	745,808	3,243,000	3,243,000	3,394,264	151,264
<u>BALANCE CARRIED FORWARD</u>	\$ 99,853,500	\$ 100,081,105	\$ 100,253,373	\$ 172,268	\$ 98,606,730	\$ 98,722,195	\$ 101,294,823	\$ 2,572,628

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
<u>BALANCE BROUGHT FORWARD</u>	\$ 99,853,500	\$ 100,081,105	\$ 100,253,373	\$ 172,268	\$ 98,606,730	\$ 98,722,195	\$ 101,294,823	\$ 2,572,628
<u>TRANSFER FROM OTHER FUNDS</u>								
Town Outside Village	300,330	300,330	300,330	-	300,330	300,330	300,330	-
Highway - Townwide	-	-	-	-	-	-	-	-
Highway - Town Outside Village	2,413,675	2,413,675	2,413,675	-	2,297,115	2,323,696	2,323,696	-
Ambulance	275,295	275,294	275,294	-	271,440	271,440	271,440	-
Capital	-	-	-	-	-	-	-	-
Sanitation	946,810	946,810	951,780	4,970	974,115	974,115	949,780	(24,335)
<u>TOTAL TRANSFERS</u>	<u>3,936,110</u>	<u>3,936,109</u>	<u>3,941,079</u>	<u>4,970</u>	<u>3,843,000</u>	<u>3,869,581</u>	<u>3,845,246</u>	<u>(24,335)</u>
<u>TOTAL REVENUE AND TRANSFERS</u>	<u>103,789,610</u>	<u>104,017,214</u>	<u>104,194,452</u>	<u>177,238</u>	<u>102,449,730</u>	<u>102,591,776</u>	<u>105,140,069</u>	<u>2,548,293</u>
<u>OTHER SOURCES</u>								
Appropriated Fund Balance	-	-	-	-	-	101,966	-	(101,966)
Reserve for Insurance	-	-	-	-	-	-	-	-
Restricted Funds	383,145	383,145	-	(383,145)	79,260	79,260	-	(79,260)
Reserve for Parklands	-	-	-	-	-	-	-	-
Proceeds from BAN's	-	-	-	-	-	-	-	-
Proceeds from Serial Bonds	-	-	-	-	-	-	-	-
Unexpended Balance	-	575,853	-	(575,853)	-	435,000	-	(435,000)
<u>TOTAL OTHER SOURCES</u>	<u>383,145</u>	<u>958,998</u>	<u>-</u>	<u>(958,998)</u>	<u>79,260</u>	<u>616,226</u>	<u>-</u>	<u>(616,226)</u>
<u>TOTAL REVENUES, TRANSFERS AND OTHER SOURCES</u>	<u>\$ 104,172,755</u>	<u>\$ 104,976,212</u>	<u>\$ 104,194,452</u>	<u>\$ (781,760)</u>	<u>\$ 102,528,990</u>	<u>\$ 103,208,002</u>	<u>\$ 105,140,069</u>	<u>\$ 1,932,067</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
GENERAL GOVERNMENT SUPPORT								
Councilmen	\$ 269,625	\$ 237,487	\$ 237,487	\$ -	\$ 268,465	\$ 250,255	\$ 250,255	\$ -
Town Justice	1,306,645	1,232,560	1,232,560	-	1,295,075	1,269,983	1,269,983	-
Youth Court	161,210	160,898	160,898	-	159,925	159,494	159,494	-
Supervisor	524,995	455,868	455,868	-	523,625	503,495	503,495	-
Finance	236,100	161,397	161,397	-	237,350	233,241	233,241	-
Town Comptroller	726,805	674,411	674,411	-	708,765	681,476	681,476	-
Town Accounting	57,650	57,650	57,650	-	57,650	57,675	57,675	-
Receiver of Taxes	-	-	-	-	-	-	-	-
Purchasing	220,865	153,405	153,405	-	178,825	161,647	161,647	-
Assessor	814,080	972,387	972,387	-	875,535	826,798	826,798	-
Board of Assessment	20,100	14,700	14,700	-	21,100	12,425	12,425	-
Credit Card Fees	35,000	60,055	60,055	-	30,000	33,160	33,160	-
Town Clerk	564,300	572,793	572,793	-	541,570	546,419	546,419	-
Town Attorney	1,511,245	1,853,209	1,853,209	-	1,452,610	1,536,093	1,536,093	-
Personnel Department	408,915	425,319	425,319	-	339,110	360,373	360,373	-
Elections	313,000	313,343	313,343	-	313,000	326,198	326,198	-
Ethics Board	16,355	4,978	4,978	-	16,355	15,104	15,104	-
Public Works Administration	247,990	78,236	78,236	-	251,435	248,206	248,206	-
Town Hall Building and Maintenance	2,018,845	2,062,680	2,062,680	-	1,960,925	2,009,798	2,009,798	-
Warehouse Central Garage	116,870	119,013	119,013	-	117,155	120,552	120,552	-
Town Garage	2,007,405	2,091,338	2,091,338	-	2,107,390	2,582,094	2,582,094	-
Archival Storage	-	-	-	-	-	-	-	-
Mail and Copy Center	256,040	236,383	236,383	-	259,420	258,026	258,026	-
Data Processing	660,990	631,240	631,240	-	657,595	616,336	616,336	-
Unallocated Insurance	127,760	128,396	128,396	-	111,940	130,885	130,885	-
Insurance Premiums	1,683,615	1,737,674	1,737,674	-	1,612,855	1,653,100	1,653,100	-
Insurance Claims	1,471,475	1,475,609	1,475,609	-	1,667,235	1,617,839	1,617,839	-
Insurance Assessments	67,555	170,226	170,226	-	67,555	50,073	50,073	-
Insurance Fees for Service	20,090	20,048	20,048	-	20,090	20,111	20,111	-
Judgements & Claims	-	454,946	454,946	-	-	-	-	-
Taxes & Assessments on Town Owned Property	140,000	133,876	133,876	-	130,000	133,538	133,538	-
Community College Tuition	-	268,729	268,729	-	-	-	-	-
Contingent Account - Other Expenses	5,000	-	-	-	5,000	-	-	-
TOTAL GENERAL GOVERNMENT SUPPORT	16,010,525	16,958,854	16,958,854	-	15,987,555	16,414,394	16,414,394	-
BALANCE CARRIED FORWARD	\$ 16,010,525	\$ 16,958,854	\$ 16,958,854	\$ -	\$ 15,987,555	\$ 16,414,394	\$ 16,414,394	\$ -

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
BALANCE BROUGHT FORWARD	\$ 16,010,525	\$ 16,958,854	\$ 16,958,854	\$ -	\$ 15,987,555	\$ 16,414,394	\$ 16,414,394	\$ -
PUBLIC SAFETY								
Safety Compliance	128,790	127,335	127,335	-	129,750	126,062	126,062	-
Central Communications System	233,435	277,615	277,615	-	224,455	232,973	232,973	-
Police Department	31,494,645	32,540,210	32,540,210	-	30,951,165	31,864,883	31,864,883	-
Canine	515,650	516,750	516,750	-	515,715	520,783	520,783	-
School Resource Officer	891,905	889,107	889,107	-	870,300	868,609	868,609	-
D.A.R.E.	501,465	505,799	505,799	-	484,685	492,171	492,171	-
Special Investigation	1,136,890	1,125,728	1,125,728	-	969,675	989,814	989,814	-
Auxiliary Police	15,850	17,155	17,155	-	15,850	9,381	9,381	-
Traffic Advisory Board	25,390	23,579	23,579	-	25,390	22,274	22,274	-
Installation of Traffic Signals	-	-	-	-	-	-	-	-
Fire Board of Appeals	9,095	9,035	9,035	-	9,095	9,078	9,078	-
Control of Animals	136,560	135,535	135,535	-	136,710	133,298	133,298	-
Emergency Operations	241,480	233,292	233,292	-	233,115	222,839	222,839	-
Paramedic Services	2,139,900	2,126,040	2,126,040	-	2,098,430	2,082,839	2,082,839	-
TOTAL PUBLIC SAFETY	37,471,055	38,527,180	38,527,180	-	36,664,335	37,575,004	37,575,004	-
TRANSPORTATION								
Superintendent of Highways	231,145	245,165	245,165	-	229,330	214,454	214,454	-
Highway Garage	85,000	84,895	84,895	-	85,000	88,348	88,348	-
Municipal Transportation	907,340	925,999	925,999	-	927,480	915,962	915,962	-
Commuter Parking	50,000	68,082	68,082	-	50,000	73,911	73,911	-
TOTAL TRANSPORTATION	1,273,485	1,324,141	1,324,141	-	1,291,810	1,292,675	1,292,675	-
ECONOMIC ASSISTANCE AND OPPORTUNITY								
Advertising	70,000	87,227	87,227	-	70,000	52,084	52,084	-
Veteran's Services	7,500	3,323	3,323	-	7,500	4,065	4,065	-
Office of Economic & Development	-	-	-	-	-	-	-	-
TOTAL ECONOMIC ASSISTANCE AND OPPORTUNITY	77,500	90,550	90,550	-	77,500	56,149	56,149	-
BALANCE CARRIED FORWARD	\$ 54,832,565	\$ 56,900,725	\$ 56,900,725	\$ -	\$ 54,021,200	\$ 55,338,222	\$ 55,338,222	\$ -

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TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
BALANCE BROUGHT FORWARD	\$ 54,832,565	\$ 56,900,725	\$ 56,900,725	\$ -	\$ 54,021,200	\$ 55,338,222	\$ 55,338,222	\$ -
CULTURAL AND RECREATION								
Recreation and Park Administration	726,765	705,380	705,380	-	688,425	695,837	695,837	-
Parks and Playgrounds	1,763,970	1,853,929	1,853,929	-	1,736,295	1,810,499	1,810,499	-
Community Recreation Centers	2,327,875	2,405,517	2,405,517	-	2,252,180	2,336,747	2,336,747	-
Swimming Facilities	708,950	691,502	691,502	-	680,700	762,193	762,193	-
Concessions	4,500	4,499	4,499	-	4,500	5,260	5,260	-
Youth Programs	747,400	700,514	700,514	-	733,400	689,669	689,669	-
Historical Review Board	19,795	9,062	9,062	-	19,795	16,830	16,830	-
Programs for the Aging	193,000	180,886	180,886	-	193,000	185,730	185,730	-
Adult Activities	44,000	46,461	46,461	-	44,500	45,836	45,836	-
TOTAL CULTURAL AND RECREATION	6,536,255	6,597,750	6,597,750	-	6,352,795	6,548,601	6,548,601	-
HOME AND COMMUNITY SERVICES								
Control of Aquatic Pests	75,000	72,466	72,466	-	75,000	71,630	71,630	-
Town-wide Comprehensive Plan	50,000	84,500	84,500	-	-	-	-	-
Community Beautification	27,250	1,560	1,560	-	27,250	21,015	21,015	-
Environmental Control	1,613,305	1,472,975	1,472,975	-	1,536,500	1,515,271	1,515,271	-
Patriotic Observances	5,000	11,603	11,603	-	5,000	234	234	-
TOTAL HOME AND COMMUNITY SERVICES	1,770,555	1,643,104	1,643,104	-	1,643,750	1,608,150	1,608,150	-
EMPLOYEE BENEFITS								
State Retirement	3,248,370	3,215,069	3,215,069	-	3,276,145	3,276,239	3,276,239	-
Police Retirement	7,269,625	7,277,712	7,277,712	-	6,896,195	6,991,380	6,991,380	-
Social Security	2,506,955	2,285,712	2,285,712	-	2,475,515	2,367,265	2,367,265	-
Life Insurance - Police	90,000	90,360	90,360	-	95,400	85,461	85,461	-
Hospital, Medical and Dental Insurance	11,473,975	11,143,457	11,143,457	-	11,196,350	10,532,292	10,532,292	-
Premium Reimbursement	(90,000)	(91,013)	(91,013)	-	(90,000)	(74,178)	(74,178)	-
Social Security - Medicare	737,340	729,514	729,514	-	731,145	733,356	733,356	-
Employee Assistance	20,000	20,486	20,486	-	19,500	20,461	20,461	-
MTA Tax	172,890	171,183	171,183	-	171,440	171,704	171,704	-
Fees for Service	10,000	19,542	19,542	-	10,000	12,077	12,077	-
TOTAL EMPLOYEE BENEFITS	25,439,155	24,862,022	24,862,022	-	24,781,690	24,116,057	24,116,057	-
BALANCE CARRIED FORWARD	\$ 88,578,530	\$ 90,003,601	\$ 90,003,601	\$ -	\$ 86,799,435	\$ 87,611,030	\$ 87,611,030	\$ -

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

TOWN OF CLARKSTOWN
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
<u>BALANCE BROUGHT FORWARD</u>	\$ 88,578,530	\$ 90,003,601	\$ 90,003,601	\$ -	\$ 86,799,435	\$ 87,611,030	\$ 87,611,030	\$ -
<u>Debt Service</u>								
Principal:								
Serial Bonds	11,867,740	11,942,740	11,942,740	-	11,928,500	11,928,500	11,928,500	-
Bond Anticipation Notes	-	-	-	-	-	-	-	-
Interest:								
Serial Bonds	3,636,485	3,275,539	3,275,539	-	3,711,055	3,595,437	3,595,437	-
Bond Anticipation Notes	-	-	-	-	-	-	-	-
Fees for Services	90,000	49,972	49,972	-	90,000	69,910	69,910	-
<u>TOTAL DEBT SERVICE</u>	<u>15,594,225</u>	<u>15,268,251</u>	<u>15,268,251</u>	<u>-</u>	<u>15,729,555</u>	<u>15,593,847</u>	<u>15,593,847</u>	<u>-</u>
<u>TOTAL EXPENDITURES</u>	<u>104,172,755</u>	<u>105,271,852</u>	<u>105,271,852</u>	<u>-</u>	<u>102,528,990</u>	<u>103,204,877</u>	<u>103,204,877</u>	<u>-</u>
<u>TRANSFERS TO OTHER FUNDS</u>								
Capital	-	3,125	3,125	-	-	3,125	3,125	-
Water - Hydrant Service	-	-	-	-	-	-	-	-
<u>TOTAL TRANSFERS</u>	<u>-</u>	<u>3,125</u>	<u>3,125</u>	<u>-</u>	<u>-</u>	<u>3,125</u>	<u>3,125</u>	<u>-</u>
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>104,172,755</u>	<u>105,274,977</u>	<u>105,274,977</u>	<u>-</u>	<u>102,528,990</u>	<u>103,208,002</u>	<u>103,208,002</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(298,765)	(1,080,525)	(781,760)	-	-	1,932,067	1,932,067
Fund Balance at Beginning of Year	14,454,855	14,454,855	14,454,855	-	12,522,788	12,522,788	12,522,788	-
Fund Balance at End of Year	\$ 14,454,855	\$ 14,156,090	\$ 13,374,330	\$ (781,760)	\$ 12,522,788	\$ 12,522,788	\$ 14,454,855	\$ 1,932,067

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWN OUTSIDE VILLAGES (DB) - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 2,051,942	\$ 914,582
Petty Cash	<u>200</u>	<u>200</u>
<u>TOTAL CASH</u>	<u>2,052,142</u>	<u>914,782</u>
<u>RECEIVABLES</u>		
Accounts Receivable	484,336	438,926
Due From Other Funds	<u>8,915</u>	<u>739,743</u>
<u>TOTAL RECEIVABLES</u>	<u>493,251</u>	<u>1,178,669</u>
<u>OTHER ASSETS</u>		
Prepaid Expenses	<u>242,047</u>	<u>245,622</u>
<u>TOTAL OTHER ASSETS</u>	<u>242,047</u>	<u>245,622</u>
<u>TOTAL ASSETS</u>	<u>\$ 2,787,440</u>	<u>\$ 2,339,073</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 72,727	\$ 130,923
Due to Other Funds	1,120	26,705
Accrued Expenses	120,530	115,172
Unearned Revenues	<u>294</u>	<u>250</u>
<u>TOTAL LIABILITIES</u>	<u>194,671</u>	<u>273,050</u>
<u>FUND BALANCE</u>		
Non Spendable	242,047	245,622
Assigned to:		
Highway - Town Outside Villages	2,340,175	1,800,727
Transportation	10,547	19,674
Subsequent Years' Expenditures	<u>-</u>	<u>-</u>
<u>TOTAL FUND BALANCE</u>	<u>2,592,769</u>	<u>2,066,023</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 2,787,440</u>	<u>\$ 2,339,073</u>

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWN OUTSIDE VILLAGES (DB) - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 12,593,245	\$ 12,593,245
Departmental Income	33,576	40,447
Interest Earnings	22,202	5,554
Road Opening Permits	155,482	104,268
Miscellaneous	876	-
Commissions	451	392
Sale of Property and Compensation for Loss	142,947	4,493
Federal Aid	-	2,025
State Aid	914,543	1,154,388
Refund Prior Year Expenditures	-	3,337
Transfer From Other Funds	575,000	478,902
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>14,438,322</u>	<u>14,387,051</u>
<u>EXPENDITURES</u>		
Transportation	11,497,901	11,721,957
Transfers to Other Funds	2,413,675	2,323,696
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>13,911,576</u>	<u>14,045,653</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	526,746	341,398
Fund Balance at Beginning of Year	<u>2,066,023</u>	<u>1,724,625</u>
Fund Balance at End of Year	<u>\$ 2,592,769</u>	<u>\$ 2,066,023</u>

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWN OUTSIDE VILLAGES (DB) - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REVENUES								
Real Property Taxes	\$ 12,593,245	\$ 12,593,245	\$ 12,593,245	\$ -	\$ 12,593,245	\$ 12,593,245	\$ 12,593,245	\$ -
Departmental Income	65,000	65,000	33,576	(31,424)	65,000	65,000	40,447	(24,553)
Interest Earnings	6,000	6,000	22,202	16,202	17,325	17,325	5,554	(11,771)
Road Opening Permits	120,000	120,000	155,482	35,482	120,000	120,000	104,268	(15,732)
Miscellaneous	500	500	876	376	500	500	-	(500)
Commissions	500	500	451	(49)	500	500	392	(108)
Sale of Property and Compensation for Loss	2,990	144,964	142,947	(2,017)	2,500	2,500	4,493	1,993
Federal Aid	-	-	-	-	-	-	2,025	2,025
State Aid	914,570	914,570	914,543	(27)	909,570	909,570	1,154,388	244,818
Refund Prior Year Expenditures	-	-	-	-	-	-	3,337	3,337
Transfer From Other Funds	575,000	575,000	575,000	-	575,000	575,000	478,902	(96,098)
Appropriated Fund Balance	-	-	-	-	-	722,694	-	(722,694)
TOTAL REVENUES & TRANSFERS	14,277,805	14,419,779	14,438,322	18,543	14,283,640	15,006,334	14,387,051	(619,283)
EXPENDITURES								
Transportation	11,864,130	12,029,233	11,497,901	531,332	11,986,525	12,682,638	11,721,957	960,681
Transfers to Other Funds	2,413,675	2,413,675	2,413,675	-	2,297,115	2,323,696	2,323,696	-
TOTAL EXPENDITURES & TRANSFERS	14,277,805	14,442,908	13,911,576	531,332	14,283,640	15,006,334	14,045,653	960,681
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(23,129)	526,746	549,875	-	-	341,398	341,398
Fund Balance at Beginning of Year	2,066,023	2,066,023	2,066,023	-	1,724,625	1,724,625	1,724,625	-
Fund Balance at End of Year	\$ 2,066,023	\$ 2,042,894	\$ 2,592,769	\$ 549,875	\$ 1,724,625	\$ 1,724,625	\$ 2,066,023	\$ 341,398

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

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Demand Deposit	\$ -	\$ 66,451
Time Deposits	<u>3,132,020</u>	<u>4,866,334</u>
<u>TOTAL CASH</u>	<u>3,132,020</u>	<u>4,932,785</u>
<u>RECEIVABLES</u>		
Accounts Receivable	30	286,114
Due From Other Funds	-	-
<u>TOTAL RECEIVABLES</u>	<u>30</u>	<u>286,114</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,132,050</u>	<u>\$ 5,218,899</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 248,023	\$ 717,105
Due to Other Funds	9,666	977,627
Unearned Revenues	<u>42,102</u>	<u>63,049</u>
<u>TOTAL LIABILITIES</u>	<u>299,791</u>	<u>1,757,781</u>
<u>FUND BALANCE</u>		
Assigned to:		
Capital Projects	<u>2,832,259</u>	<u>3,461,118</u>
<u>TOTAL FUND BALANCE</u>	<u>2,832,259</u>	<u>3,461,118</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 3,132,050</u>	<u>\$ 5,218,899</u>

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

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Interest Earnings	\$ 10,048	\$ 12,791
Miscellaneous	728,238	1,794,316
State Aid	271,579	382,221
Federal Aid	209,673	895,142
Serial Bond Proceeds	8,044,541	9,687,740
Transfers from Other Funds	3,125	3,125
<u>TOTAL REVENUES & TRANSFERS</u>	<u>9,267,204</u>	<u>12,775,335</u>
<u>EXPENDITURES</u>		
Capital Projects Expenditures	9,896,063	12,857,545
Transfers to Other Funds	-	-
<u>TOTAL EXPENDITURES & TRANSFERS</u>	<u>9,896,063</u>	<u>12,857,545</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(628,859)	(82,210)
Fund Balance at Beginning of Year	<u>3,461,118</u>	<u>3,543,328</u>
Fund Balance at End of Year	<u>\$ 2,832,259</u>	<u>\$ 3,461,118</u>

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

TOWN OF CLARKSTOWN
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
CASH	\$ -	\$ -
<u>TOTAL CASH</u>	<u>-</u>	<u>-</u>
<u>TOTAL ASSETS</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>	\$ -	\$ -
<u>TOTAL LIABILITIES</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>		
Unappropriated	-	-
<u>TOTAL FUND BALANCE</u>	<u>-</u>	<u>-</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CLARKSTOWN
DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Serial Bond Proceeds	\$ 12,230,944	\$ -
Transfers from Other Funds	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>12,230,944</u>	<u>-</u>
<u>EXPENDITURES</u>		
Debt Service	12,230,944	-
Transfers to Other Funds	-	-
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>12,230,944</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>

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

TOWN OF CLARKSTOWN
NONMAJOR FUNDS
COMBINING BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	General Fund Town Outside <u>Villages</u>	Highway Fund Townwide (DA)	Special District Fund <u>Sanitation</u>
<u>ASSETS</u>			
<u>CASH</u>			
Demand Deposits	\$ -	\$ -	\$ 1,636
Time Deposits	2,941,255	520,768	2,748,800
Petty Cash	300	-	150
<u>TOTAL CASH</u>	<u>2,941,555</u>	<u>520,768</u>	<u>2,750,586</u>
<u>RECEIVABLES</u>			
Accounts Receivable	5,018	599	143,046
Due From Other Funds	432	-	12,675
<u>TOTAL RECEIVABLES</u>	<u>5,450</u>	<u>599</u>	<u>155,721</u>
<u>OTHER ASSETS</u>			
Prepaid Expenses	115,593	16,487	7,611
<u>TOTAL OTHER ASSETS</u>	<u>115,593</u>	<u>16,487</u>	<u>7,611</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,062,598</u>	<u>\$ 537,854</u>	<u>\$ 2,913,918</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 24,017	\$ 81,111	\$ 733,116
Due to Other Funds	14,870	-	767,508
Accrued Expenses	55,989	56,807	5,021
Unearned Revenues	-	-	-
<u>TOTAL LIABILITIES</u>	<u>94,876</u>	<u>137,918</u>	<u>1,505,645</u>
<u>DEFERRED INFLOWS</u>	<u>74,530</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>			
Non Spendable	115,593	16,487	7,611
Assigned to:			
Special Revenue Funds	2,757,069	377,049	1,400,662
Public Safety	244	-	-
Transportation	-	6,400	-
Home and Community Services	20,286	-	-
Subsequent Years' Expenditures	-	-	-
<u>TOTAL FUND BALANCE</u>	<u>2,893,192</u>	<u>399,936</u>	<u>1,408,273</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 3,062,598</u>	<u>\$ 537,854</u>	<u>\$ 2,913,918</u>

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

Special District Fund <u>Lighting</u>	Special District Fund <u>Ambulance</u>	Special District Fund <u>Water</u>	Total 2016
\$ -	\$ -	\$ -	\$ 1,636
308,966	3,108,012	125,187	9,752,988
-	-	-	450
<u>308,966</u>	<u>3,108,012</u>	<u>125,187</u>	<u>9,755,074</u>
-	234,003	64,782	447,448
-	14,718	-	27,825
<u>-</u>	<u>248,721</u>	<u>64,782</u>	<u>475,273</u>
-	-	-	139,691
<u>-</u>	<u>-</u>	<u>-</u>	<u>139,691</u>
<u>\$ 308,966</u>	<u>\$ 3,356,733</u>	<u>\$ 189,969</u>	<u>\$ 10,370,038</u>
\$ 1,444	\$ 72,000	\$ -	\$ 911,688
27,678	-	-	810,056
-	-	-	117,817
-	-	-	-
<u>29,122</u>	<u>72,000</u>	<u>-</u>	<u>1,839,561</u>
-	-	-	74,530
-	-	-	139,691
279,844	1,696,510	189,969	6,701,103
-	-	-	244
-	-	-	6,400
-	-	-	20,286
-	1,588,223	-	1,588,223
<u>279,844</u>	<u>3,284,733</u>	<u>189,969</u>	<u>8,455,947</u>
<u>\$ 308,966</u>	<u>\$ 3,356,733</u>	<u>\$ 189,969</u>	<u>\$ 10,370,038</u>

TOWN OF CLARKSTOWN
NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	General Fund Town Outside <u>Villages</u>	Highway Fund Townwide (DA)	Special District Fund <u>Sanitation</u>
<u>REVENUES</u>			
Real Property Taxes	\$ 3,505,180	\$ 1,100,115	\$ 9,997,140
Other Tax Items	138,419	-	16,552
Departmental Income	1,817,722	5,432	1,025,391
Interest Earnings	17,504	2,195	12,115
Licenses & Permits	-	-	23,100
Sale of Property and Compensation for Loss	6,054	-	-
Federal Aid	-	-	-
State Aid	-	-	-
Miscellaneous	12,830	-	6,624
<u>TOTAL REVENUE</u>	<u>5,497,709</u>	<u>1,107,742</u>	<u>11,080,922</u>
<u>EXPENDITURES</u>			
Public Safety	1,915,038	-	-
Health	4,500	-	-
Transportation	-	1,015,778	-
Home and Community Services	1,640,485	-	8,901,430
Employee Benefits	1,519,644	-	-
Debt Service	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>5,079,667</u>	<u>1,015,778</u>	<u>8,901,430</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	-	-	-
Operating Transfers Out	(300,330)	-	(1,526,780)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>(300,330)</u>	<u>-</u>	<u>(1,526,780)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	117,712	91,964	652,712
Fund Balance at Beginning of Year	<u>2,775,480</u>	<u>307,972</u>	<u>755,561</u>
Fund Balance at End of Year	<u>\$ 2,893,192</u>	<u>\$ 399,936</u>	<u>\$ 1,408,273</u>

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

<u>Special District Fund Lighting</u>	<u>Special District Fund Ambulance</u>	<u>Special District Fund Water</u>	<u>Total 2016</u>
\$ 1,449,500	\$ 1,378,767	\$ 2,436,090	\$ 19,866,792
-	-	-	154,971
-	1,879,743	-	4,728,288
2,958	11,678	2,768	49,218
-	-	-	23,100
-	-	-	6,054
-	-	-	-
-	-	-	-
-	-	104,107	123,561
<u>1,452,458</u>	<u>3,270,188</u>	<u>2,542,965</u>	<u>24,951,984</u>
-	-	-	1,915,038
-	2,944,381	-	2,948,881
-	-	-	1,015,778
1,239,057	-	2,456,021	14,236,993
-	-	-	1,519,644
-	-	-	-
<u>1,239,057</u>	<u>2,944,381</u>	<u>2,456,021</u>	<u>21,636,334</u>
-	-	-	-
-	(275,294)	-	(2,102,404)
-	(275,294)	-	(2,102,404)
213,401	50,513	86,944	1,213,246
<u>66,443</u>	<u>3,234,220</u>	<u>103,025</u>	<u>7,242,701</u>
<u>\$ 279,844</u>	<u>\$ 3,284,733</u>	<u>\$ 189,969</u>	<u>\$ 8,455,947</u>

TOWN OF CLARKSTOWN
GENERAL FUND TOWN OUTSIDE VILLAGES
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 2,941,255	\$ 3,048,528
Petty Cash	300	300
<u>TOTAL CASH</u>	<u>2,941,555</u>	<u>3,048,828</u>
<u>RECEIVABLES</u>		
Accounts Receivable	5,018	3,700
Due From Other Funds	432	827
<u>TOTAL RECEIVABLES</u>	<u>5,450</u>	<u>4,527</u>
<u>OTHER ASSETS</u>		
Prepaid Expenses	115,593	110,119
<u>TOTAL OTHER ASSETS</u>	<u>115,593</u>	<u>110,119</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,062,598</u>	<u>\$ 3,163,474</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 24,017	\$ 5,434
Due to Other Funds	14,870	-
Accrued Expenses	55,989	45,452
Unearned Revenues	-	1,546
<u>TOTAL LIABILITIES</u>	<u>94,876</u>	<u>52,432</u>
<u>DEFERRED INFLOWS</u>	<u>74,530</u>	<u>335,562</u>
 <u>FUND BALANCE</u>		
Non Spendable	115,593	110,119
Assigned to:		
Town - Outside Villages	2,757,069	2,055,625
Public Safety	244	4,441
Home and Community Services	20,286	10
Subsequent Years' Expenditures	-	605,285
<u>TOTAL FUND BALANCE</u>	<u>2,893,192</u>	<u>2,775,480</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 3,062,598</u>	<u>\$ 3,163,474</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND TOWN OUTSIDE VILLAGES - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 3,505,180	\$ 3,505,180
Other Tax Items	138,419	142,514
Departmental Income	1,817,722	1,748,539
Interest Earnings	17,504	16,933
Sale of Property and Compensation for Loss	6,054	2,062
Federal Aid	-	-
State Aid	-	-
Miscellaneous	12,830	12,440
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 5,497,709</u>	<u>\$ 5,427,668</u>
<u>EXPENDITURES</u>		
Public Safety	\$ 1,915,038	\$ 1,765,234
Health	4,500	4,500
Home and Community Services	1,640,485	1,750,029
Employee Benefits	1,519,644	1,432,310
Transfers to Other Funds	300,330	300,330
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 5,379,997</u>	<u>\$ 5,252,403</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 \$ 117,712	 \$ 175,265
Fund Balance at Beginning of Year	<u>2,775,480</u>	<u>2,600,215</u>
Fund Balance at End of Year	<u>\$ 2,893,192</u>	<u>\$ 2,775,480</u>

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

TOWN OF CLARKSTOWN
GENERAL FUND TOWN OUTSIDE VILLAGES - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REVENUES								
Real Property Taxes	\$ 3,505,180	\$ 3,505,180	\$ 3,505,180	\$ -	\$ 3,505,180	\$ 3,505,180	\$ 3,505,180	\$ -
Other Tax Items	142,515	142,515	138,419	(4,096)	131,025	131,025	142,514	11,489
Departmental Income	1,591,000	1,591,000	1,817,722	226,722	1,415,000	1,415,000	1,748,539	333,539
Interest Earnings	16,600	16,600	17,504	904	15,665	15,665	16,933	1,268
Miscellaneous	19,875	19,875	12,830	(7,045)	18,700	18,700	12,440	(6,260)
Sale of Property and Compensation for Loss	-	-	6,054	6,054	-	-	2,062	2,062
Federal Aid	-	-	-	-	-	-	-	-
State Aid	-	-	-	-	-	-	-	-
Appropriated Fund Balance	605,285	605,285	-	(605,285)	536,310	556,223	-	(556,223)
TOTAL REVENUES & TRANSFERS	5,880,455	5,880,455	5,497,709	(382,746)	5,621,880	5,641,793	5,427,668	(214,125)
EXPENDITURES								
Public Safety	1,913,355	1,917,552	1,915,038	2,514	1,840,785	1,850,791	1,765,234	85,557
Health	4,500	4,500	4,500	-	4,500	4,500	4,500	-
Home and Community Services	1,888,405	1,868,130	1,640,485	227,645	1,796,300	1,883,597	1,750,029	133,568
Employee Benefits	1,773,865	1,773,865	1,519,644	254,221	1,679,965	1,602,575	1,432,310	170,265
Transfers to Other Funds	300,330	300,330	300,330	-	300,330	300,330	300,330	-
TOTAL EXPENDITURES & TRANSFERS	5,880,455	5,864,377	5,379,997	484,380	5,621,880	5,641,793	5,252,403	389,390
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	16,078	117,712	101,634	-	-	175,265	175,265
Fund Balance at Beginning of Year	2,775,480	2,775,480	2,775,480	-	2,600,215	2,600,215	2,600,215	-
Fund Balance at End of Year	\$ 2,775,480	\$ 2,791,558	\$ 2,893,192	\$ 101,634	\$ 2,600,215	\$ 2,600,215	\$ 2,775,480	\$ 175,265

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWNWIDE (DA) - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 520,768	\$ 304,212
<u>TOTAL CASH</u>	<u>520,768</u>	<u>304,212</u>
<u>RECEIVABLES</u>		
Accounts Receivable	599	241
Due From Other Funds	-	-
<u>TOTAL RECEIVABLES</u>	<u>599</u>	<u>241</u>
<u>OTHER ASSETS</u>		
Prepaid Expenses	16,487	16,185
<u>TOTAL OTHER ASSETS</u>	<u>16,487</u>	<u>16,185</u>
<u>TOTAL ASSETS</u>	<u>\$ 537,854</u>	<u>\$ 320,638</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 81,111	\$ 155
Due to Other Funds	-	-
Accrued Expenses	56,807	12,511
<u>TOTAL LIABILITIES</u>	<u>137,918</u>	<u>12,666</u>
<u>FUND BALANCE</u>		
Non Spendable	16,487	16,185
Assigned to:		
Highway - Townwide	377,049	291,046
Transportation	6,400	741
Subsequent Years' Expenditures	-	-
<u>TOTAL FUND BALANCE</u>	<u>399,936</u>	<u>307,972</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 537,854</u>	<u>\$ 320,638</u>

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWNWIDE (DA) - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 1,100,115	\$ 1,050,115
Interest Earnings	2,195	1,545
Services to Other Governments	5,432	11,977
State Aid	-	80,942
Miscellaneous	-	5,566
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>1,107,742</u>	<u>1,150,145</u>
<u>EXPENDITURES</u>		
Transportation	1,015,778	1,398,514
Transfers to Other Funds	-	-
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>1,015,778</u>	<u>1,398,514</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	91,964	(248,369)
Fund Balance at Beginning of Year	<u>307,972</u>	<u>556,341</u>
Fund Balance at End of Year	<u>\$ 399,936</u>	<u>\$ 307,972</u>

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

TOWN OF CLARKSTOWN
HIGHWAY FUND TOWNWIDE (DA) - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
<u>REVENUES</u>								
Real Property Taxes	\$ 1,100,115	\$ 1,100,115	\$ 1,100,115	\$ -	\$ 1,050,115	\$ 1,050,115	\$ 1,050,115	\$ -
Interest Earnings	1,785	1,785	2,195	410	5,595	5,595	1,545	(4,050)
Services to Other Governments	6,650	6,650	5,432	(1,218)	4,900	4,900	11,977	7,077
State Aid	-	-	-	-	-	-	80,942	80,942
Miscellaneous	-	-	-	-	-	-	5,566	5,566
Transfers from Other Funds	-	-	-	-	50,000	50,000	-	(50,000)
Appropriated Fund Balance	-	-	-	-	-	288,645	-	(288,645)
<u>TOTAL REVENUES & TRANSFERS</u>	<u>1,108,550</u>	<u>1,108,550</u>	<u>1,107,742</u>	<u>(808)</u>	<u>1,110,610</u>	<u>1,399,255</u>	<u>1,150,145</u>	<u>(249,110)</u>
<u>EXPENDITURES</u>								
Transportation	1,108,550	1,102,891	1,015,778	87,113	1,110,610	1,399,255	1,398,514	741
Transfers to Other Funds	-	-	-	-	-	-	-	-
<u>TOTAL EXPENDITURES & TRANSFERS</u>	<u>1,108,550</u>	<u>1,102,891</u>	<u>1,015,778</u>	<u>87,113</u>	<u>1,110,610</u>	<u>1,399,255</u>	<u>1,398,514</u>	<u>741</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	5,659	91,964	86,305	-	-	(248,369)	(248,369)
Fund Balance at Beginning of Year	<u>307,972</u>	<u>307,972</u>	<u>307,972</u>	<u>-</u>	<u>556,341</u>	<u>556,341</u>	<u>556,341</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 307,972</u>	<u>\$ 313,631</u>	<u>\$ 399,936</u>	<u>\$ 86,305</u>	<u>\$ 556,341</u>	<u>\$ 556,341</u>	<u>\$ 307,972</u>	<u>\$ (248,369)</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - SANITATION - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Demand Deposit	\$ 1,636	\$ 4,570
Time Deposits	2,748,800	2,902,774
Petty Cash	150	150
<u>TOTAL CASH</u>	<u>2,750,586</u>	<u>2,907,494</u>
<u>RECEIVABLES</u>		
Accounts Receivable	143,046	172,710
Due From Other Funds	12,675	540,144
<u>TOTAL RECEIVABLES</u>	<u>155,721</u>	<u>712,854</u>
<u>OTHER ASSETS</u>		
Prepaid Expenses	7,611	7,404
<u>TOTAL OTHER ASSETS</u>	<u>7,611</u>	<u>7,404</u>
<u>TOTAL ASSETS</u>	<u>\$ 2,913,918</u>	<u>\$ 3,627,752</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 733,116	\$ 765,786
Due to Other Funds	767,508	2,103,912
Accrued Expenses	5,021	2,493
<u>TOTAL LIABILITIES</u>	<u>1,505,645</u>	<u>2,872,191</u>
<u>FUND BALANCE</u>		
Non Spendable	7,611	7,404
Assigned to:		
Sanitation	1,400,662	748,119
Home and Community Services	-	38
Subsequent Years' Expenditures	-	-
<u>TOTAL FUND BALANCE</u>	<u>1,408,273</u>	<u>755,561</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 2,913,918</u>	<u>\$ 3,627,752</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - SANITATION - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 9,997,140	\$ 9,876,480
Special Assessments	16,552	12,347
Interest Earnings	12,115	6,529
Licenses and Permits	23,100	25,200
Intergovernmental Income	1,025,391	1,026,758
Miscellaneous	6,624	8,279
Federal Aid	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>11,080,922</u>	<u>10,955,593</u>
<u>EXPENDITURES</u>		
Home and Community Services	8,901,430	9,385,098
Transfers to Other Funds	1,526,780	1,428,682
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>10,428,210</u>	<u>10,813,780</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	652,712	141,813
Fund Balance at Beginning of Year	<u>755,561</u>	<u>613,748</u>
Fund Balance at End of Year	<u>\$ 1,408,273</u>	<u>\$ 755,561</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - SANITATION - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REVENUES								
Real Property Taxes	\$ 9,997,140	\$ 9,997,140	\$ 9,997,140	\$ -	\$ 9,876,480	\$ 9,876,480	\$ 9,876,480	\$ -
Special Assessments	20,000	20,000	16,552	(3,448)	30,000	30,000	12,347	(17,653)
Interest Earnings	6,985	6,985	12,115	5,130	10,840	10,840	6,529	(4,311)
Licenses and Permits	27,300	27,300	23,100	(4,200)	22,000	22,000	25,200	3,200
Intergovernmental Income	1,030,000	1,030,000	1,025,391	(4,609)	943,500	943,500	1,026,758	83,258
Miscellaneous	8,300	8,300	6,624	(1,676)	5,340	5,340	8,279	2,939
Federal Aid	-	-	-	-	-	-	-	-
Appropriated Fund Balance	-	-	-	-	72,280	117,160	-	(117,160)
TOTAL REVENUES & TRANSFERS	11,089,725	11,089,725	11,080,922	(8,803)	10,960,440	11,005,320	10,955,593	(49,727)
EXPENDITURES								
Home and Community Services	9,562,945	9,562,983	8,901,430	661,553	9,411,325	9,456,205	9,385,098	71,107
Transfers to Other Funds	1,526,780	1,526,780	1,526,780	-	1,549,115	1,549,115	1,428,682	120,433
TOTAL EXPENDITURES & TRANSFERS	11,089,725	11,089,763	10,428,210	661,553	10,960,440	11,005,320	10,813,780	191,540
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(38)	652,712	652,750	-	-	141,813	141,813
Fund Balance at Beginning of Year	755,561	755,561	755,561	-	613,748	613,748	613,748	-
Fund Balance at End of Year	\$ 755,561	\$ 755,523	\$ 1,408,273	\$ 652,750	\$ 613,748	\$ 613,748	\$ 755,561	\$ 141,813

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - LIGHTING - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 308,966	\$ 190,461
<u>TOTAL CASH</u>	<u>308,966</u>	<u>190,461</u>
 <u>TOTAL ASSETS</u>	 <u>\$ 308,966</u>	 <u>\$ 190,461</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,444	\$ 124,018
Due to Other Funds	<u>27,678</u>	<u>-</u>
<u>TOTAL LIABILITIES</u>	<u>29,122</u>	<u>124,018</u>
 <u>FUND BALANCE</u>		
Assigned to:		
Lighting	279,844	66,443
Subsequent Years' Expenditures	<u>-</u>	<u>-</u>
<u>TOTAL FUND BALANCE</u>	<u>279,844</u>	<u>66,443</u>
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	 <u>\$ 308,966</u>	 <u>\$ 190,461</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - LIGHTING - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 1,449,500	\$ 1,449,500
Interest Earnings	2,958	2,810
Miscellaneous	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>1,452,458</u>	<u>1,452,310</u>
<u>EXPENDITURES</u>		
Community Services	<u>1,239,057</u>	<u>1,478,463</u>
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>1,239,057</u>	<u>1,478,463</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	213,401	(26,153)
Fund Balance at Beginning of Year	<u>66,443</u>	<u>92,596</u>
Fund Balance at End of Year	<u>\$ 279,844</u>	<u>\$ 66,443</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - LIGHTING - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REVENUES								
Real Property Taxes	\$ 1,449,500	\$ 1,449,500	\$ 1,449,500	\$ -	\$ 1,449,500	\$ 1,449,500	\$ 1,449,500	\$ -
Interest Earnings	2,830	2,830	2,958	128	2,830	2,830	2,810	(20)
Miscellaneous	-	-	-	-	-	-	-	-
Appropriated Fund Balance	-	-	-	-	45,000	45,000	-	(45,000)
TOTAL REVENUES & TRANSFERS	1,452,330	1,452,330	1,452,458	128	1,497,330	1,497,330	1,452,310	(45,020)
EXPENDITURES								
Community Services	1,452,330	1,452,330	1,239,057	213,273	1,497,330	1,497,330	1,478,463	18,867
TOTAL EXPENDITURES & TRANSFERS	1,452,330	1,452,330	1,239,057	213,273	1,497,330	1,497,330	1,478,463	18,867
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	213,401	213,401	-	-	(26,153)	(26,153)
Fund Balance at Beginning of Year	66,443	66,443	66,443	-	92,596	92,596	92,596	-
Fund Balance at End of Year	\$ 66,443	\$ 66,443	\$ 279,844	\$ 213,401	\$ 92,596	\$ 92,596	\$ 66,443	\$ (26,153)

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - AMBULANCE - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 3,108,012	\$ 3,153,875
<u>TOTAL CASH</u>	<u>3,108,012</u>	<u>3,153,875</u>
<u>RECEIVABLES</u>		
Accounts Receivable	234,003	165,845
Due from Other Funds	14,718	-
<u>TOTAL RECEIVABLES</u>	<u>248,721</u>	<u>165,845</u>
<u>TOTAL ASSETS</u>	<u>\$ 3,356,733</u>	<u>\$ 3,319,720</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 72,000	\$ 85,500
Due to Other Funds	-	-
<u>TOTAL LIABILITIES</u>	<u>72,000</u>	<u>85,500</u>
 <u>FUND BALANCE</u>		
Assigned to:		
Ambulance	1,696,510	1,789,812
Subsequent Years' Expenditures	1,588,223	1,444,408
<u>TOTAL FUND BALANCE</u>	<u>3,284,733</u>	<u>3,234,220</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 3,356,733</u>	<u>\$ 3,319,720</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - AMBULANCE - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 1,378,767	\$ 1,469,457
Departmental Income	1,879,743	1,970,081
Interest Earnings	11,678	9,237
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>3,270,188</u>	<u>3,448,775</u>
<u>EXPENDITURES</u>		
Health	2,944,381	2,968,006
Transfer to Other Funds	275,294	271,440
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>3,219,675</u>	<u>3,239,446</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	50,513	209,329
Fund Balance at Beginning of Year	<u>3,234,220</u>	<u>3,024,891</u>
Fund Balance at End of Year	<u>\$ 3,284,733</u>	<u>\$ 3,234,220</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - AMBULANCE - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)	Original Budget	Final Budget	Actual	Favorable/ (Unfavorable)
REVENUES								
Real Property Taxes	\$ 1,378,767	\$ 1,378,767	\$ 1,378,767	\$ -	\$ 1,469,457	\$ 1,469,457	\$ 1,469,457	\$ -
Departmental Income	396,500	396,500	1,879,743	1,483,243	396,500	396,500	1,970,081	1,573,581
Interest Earnings	-	-	11,678	11,678	-	-	9,237	9,237
Appropriated Fund Balance	1,444,408	1,444,408	-	(1,444,408)	1,373,489	1,373,489	-	(1,373,489)
TOTAL REVENUES & TRANSFERS	3,219,675	3,219,675	3,270,188	50,513	3,239,446	3,239,446	3,448,775	209,329
EXPENDITURES								
Contractual Expenditures	2,944,381	2,944,381	2,944,381	-	2,968,006	2,968,006	2,968,006	-
Transfer to Other Funds	275,294	275,294	275,294	-	271,440	271,440	271,440	-
TOTAL EXPENDITURES & TRANSFERS	3,219,675	3,219,675	3,219,675	-	3,239,446	3,239,446	3,239,446	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	50,513	50,513	-	-	209,329	209,329
Fund Balance at Beginning of Year	3,234,220	3,234,220	3,234,220	-	3,024,891	3,024,891	3,024,891	-
Fund Balance at End of Year	\$ 3,234,220	\$ 3,234,220	\$ 3,284,733	\$ 50,513	\$ 3,024,891	\$ 3,024,891	\$ 3,234,220	\$ 209,329

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - WATER - SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CASH</u>		
Time Deposits	\$ 125,187	\$ 892
<u>TOTAL CASH</u>	<u>125,187</u>	<u>892</u>
<u>RECEIVABLES</u>		
Accounts Receivable	64,782	102,133
<u>TOTAL RECEIVABLES</u>	<u>64,782</u>	<u>102,133</u>
 <u>TOTAL ASSETS</u>	 <u>\$ 189,969</u>	 <u>\$ 103,025</u>
 <u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Due to Other Funds	\$ -	\$ -
<u>TOTAL LIABILITIES</u>	<u>-</u>	<u>-</u>
 <u>FUND BALANCE</u>		
Assigned to:		
Water	189,969	63,025
Subsequent Years' Expenditures	-	40,000
<u>TOTAL FUND BALANCE</u>	<u>189,969</u>	<u>103,025</u>
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	 <u>\$ 189,969</u>	 <u>\$ 103,025</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - WATER - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>		
Real Property Taxes	\$ 2,436,090	\$ 2,286,090
Interest Earnings	2,768	833
Miscellaneous	104,107	102,547
Operating Transfers In	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>2,542,965</u>	<u>2,389,470</u>
<u>EXPENDITURES</u>		
Home and Community Services	<u>2,456,021</u>	<u>2,443,915</u>
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>2,456,021</u>	<u>2,443,915</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 86,944	 (54,445)
 Fund Balance at Beginning of Year	 <u>103,025</u>	 <u>157,470</u>
 Fund Balance at End of Year	 <u>\$ 189,969</u>	 <u>\$ 103,025</u>

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

TOWN OF CLARKSTOWN
SPECIAL DISTRICT FUND - WATER - SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016				2015			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable)</u>
REVENUES								
Real Property Taxes	\$ 2,436,090	\$ 2,436,090	\$ 2,436,090	\$ -	\$ 2,286,090	\$ 2,286,090	\$ 2,286,090	\$ -
Interest Earnings	1,660	1,660	2,768	1,108	1,630	1,630	833	(797)
Miscellaneous	104,400	104,400	104,107	(293)	92,710	92,710	102,547	9,837
Appropriated Fund Balance	40,000	40,000	-	(40,000)	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-	-
<u>TOTAL REVENUES & TRANSFERS</u>	<u>2,582,150</u>	<u>2,582,150</u>	<u>2,542,965</u>	<u>(39,185)</u>	<u>2,380,430</u>	<u>2,380,430</u>	<u>2,389,470</u>	<u>9,040</u>
EXPENDITURES								
Home and Community Services	<u>2,582,150</u>	<u>2,582,150</u>	<u>2,456,021</u>	<u>126,129</u>	<u>2,430,430</u>	<u>2,443,915</u>	<u>2,443,915</u>	<u>-</u>
<u>TOTAL EXPENDITURES & TRANSFERS</u>	<u>2,582,150</u>	<u>2,582,150</u>	<u>2,456,021</u>	<u>126,129</u>	<u>2,430,430</u>	<u>2,443,915</u>	<u>2,443,915</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	86,944	86,944	(50,000)	(63,485)	(54,445)	9,040
Fund Balance at Beginning of Year	<u>103,025</u>	<u>103,025</u>	<u>103,025</u>	<u>-</u>	<u>157,470</u>	<u>157,470</u>	<u>157,470</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 103,025</u>	<u>\$ 103,025</u>	<u>\$ 189,969</u>	<u>\$ 86,944</u>	<u>\$ 107,470</u>	<u>\$ 93,985</u>	<u>\$ 103,025</u>	<u>\$ 9,040</u>

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

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
4-16	So. Main Street, New City	\$ 542,626	\$ -	\$ -	\$ 45,320	\$ 497,306
4-1011	Retainage - So. Main Street, New City	-	-	-	-	-
4-1012	Retainage - So. Main Street, New City	-	-	-	-	-
38-04	Reverso Property Remediation	12,600	-	-	-	12,600
38-9999	Contingency	69,893	-	-	-	69,893
59-01	Hackensack River Project	101,156	561	-	-	101,717
60-01	Demarest Mill Creek Flood Dam	(18,855)	-	-	5,101	(23,956)
65-01	Pal Cen-Replace Decks of Bridges	2,016	-	-	-	2,016
65-02	Replace Bridge Palisades Center	127	3	-	-	130
65-03	Palisades Center Road Maint.	92,459	135	-	-	92,594
75-16	Congers Railroad Station Property	5,001	-	-	-	5,001
75-34	Goldberg Property	(719,626)	405,000	1	312,330	(626,955)
75-1009	Retainage-Road Improve-Congers RR Station	-	-	-	-	-
75-1015	Retainage-Goldberg Property	(14,847)	-	-	(14,847)	-
75-9999	Contingency	252,339	-	43,940	-	296,279
78-26	Drainage - Buena Vista Rd Storm Drain	163,740	-	-	-	163,740
78-43	Hillside Ave-Drainage & Sidewalk Improvement	1,115	-	(1,115)	-	-
79-01	Drainage - Quaspeck Park	236,672	-	-	-	236,672
79-07	Drainage - Central Nyack	959,279	-	-	647,175	312,104
79-21	West Nyack Downtown Improvements	(60,565)	305,000	8,355	250,174	2,616
79-1012	Retainage-Central Nyack Storm Drainage	(448,177)	-	-	(448,177)	-
<u>BALANCE CARRIED FORWARD</u>		<u>\$ 1,176,953</u>	<u>\$ 710,699</u>	<u>\$ 51,181</u>	<u>\$ 797,076</u>	<u>\$ 1,141,757</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 1,176,953	\$ 710,699	\$ 51,181	\$ 797,076	\$ 1,141,757
80-01	Hutton Avenue - Repair Fund	37,937	161	-	-	38,098
80-02	Hutton Avenue - Sinking Fund	28,505	121	-	-	28,626
81-28	Central Nyack Downtown Revitalization	7,783	-	(7,783)	-	-
81-34	PEG Grant Equipment	(13,906)	-	13,906	-	-
81-9999	Contingency	3,055	-	(3,055)	-	-
82-10	Demarest Kill Stream (Cranford Dr.)	(507)	-	507	-	-
82-37	Records Mgmt Improvement Proj-Archives	44,874	-	-	4,185	40,689
83-19	Police Communications Room - Renovation	1,962	-	(1,962)	-	-
83-24	Community Center Upgrades	231,477	-	-	-	231,477
83-31	Feasibility Studies Public Works Projects	29,600	-	-	-	29,600
83-1019	Retainage-Community Center Upgrades	-	-	-	-	-
83-9999	Contingency	-	-	-	-	-
84-09	Sewer Pump Stations	(731,368)	696,388	-	849,976	(884,956)
84-25	Construction-Congers Valley Cottage Amb Bldg	26,967	-	(67)	26,900	-
84-26	Phillips Hill Rd. Culvert Replacement	36,753	-	(36,753)	-	-
84-27	Church St, Nanuet-Curb & Roadway Constr	36,000	-	(36,000)	-	-
84-28	MiniTrans Vehicle/Equipment	78,389	-	(78,389)	-	-
84-33	Buena Vista Road Improvement	9,300	-	(9,300)	-	-
84-35	Traffic Signal @ Heritage Dr.	(70,528)	-	-	-	(70,528)
84-1016	Retainage-Sewer Pump Stations	-	-	-	-	-
84-1017	Retainage-Sewer Pump Stations	(33,025)	-	-	30,705	(63,730)
84-1018	Retainage-Sewer Pump Stations	(15,598)	-	-	(15,598)	-
84-1019	Retainage-Sewer Pump Stations	(10,557)	-	-	10,187	(20,744)
84-9999	Contingency	51,997	-	36,820	-	88,817
85-05	Klein Ave Levy Improvements	(123,571)	174,480	-	72,749	(21,840)
<u>BALANCE CARRIED FORWARD</u>		\$ 802,492	\$ 1,581,849	\$ (70,895)	\$ 1,776,180	\$ 537,266

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 802,492	\$ 1,581,849	\$ (70,895)	\$ 1,776,180	\$ 537,266
85-12	Monitoring Systems	3,697	-	(3,697)	-	-
85-13	Purchase of Properties	573	-	(573)	-	-
85-15	Building Lead Abatement	10,847	-	-	-	10,847
85-19	Pavers - Burnside Ave	2,000	-	-	-	2,000
85-9999	Contingency	584	-	-	-	584
86-06	Sharon Drive - Drainage	2,150	-	(2,150)	-	-
86-07	Denver Drive Drainage Improvement	(33,629)	-	33,629	-	-
86-11	Belgium Block Project	109,793	-	-	-	109,793
86-12	Equipment - Solid Waste Facility	1,954	-	(1,954)	-	-
86-13	Old Hempstead Rd - Stream Channel	7,000	-	(7,000)	-	-
86-14	Drainage - Joseph Lane	1,619	-	(1,619)	-	-
86-15	Old Haverstraw Rd - Culvert Replacement	(2,622)	-	2,622	-	-
86-16	S. Mountain Road Drainage Improvement	299,718	-	-	-	299,718
86-17	Drainage - Hereford Lane	18,345	-	(18,345)	-	-
86-19	Software Upgrades	21,529	-	-	-	21,529
86-20	Drainage - Demarest Kill Stream (Cranford Dr)	1,350	-	(1,350)	-	-
86-21	Various Parks & Recreation Projects	5,747	-	(5,747)	-	-
86-22	Town Vehicles 2012	20,097	-	-	-	20,097
86-1003	Retainage - Belgium Block Project	-	-	-	-	-
86-1006	Retainage - Drainage - S. Mountain Rd Impr.	(12,759)	-	-	-	(12,759)
86-9999	Contingency	7,700	-	(5,786)	-	1,914
87-01	Hurricane Irene	-	-	-	-	-
88-02	May Place - Stream Channel Realignment	10,681	-	(10,681)	-	-
88-04	Lake Nanuet - Installation Box Culvert	45,021	-	-	-	45,021
<u>BALANCE CARRIED FORWARD</u>		<u>\$ 1,323,887</u>	<u>\$ 1,581,849</u>	<u>\$ (93,546)</u>	<u>\$ 1,776,180</u>	<u>\$ 1,036,010</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 1,323,887	\$ 1,581,849	\$ (93,546)	\$ 1,776,180	\$ 1,036,010
88-06	Lowerre Place Detention Pond/Waters Edge	3,040	-	-	-	3,040
88-08	Highview Ave, Nanuet - Crosswalks	93,194	-	-	-	93,194
88-09	Brookdale Ct., West Nyack - Culvert	35,695	-	-	-	35,695
88-10	Various Parkland Improvement Projects	9,061	-	(9,061)	-	-
88-11	Drainage - Nancy Drive, New City	14,779	-	(14,779)	-	-
88-12	Drainage - Prides Crossing, New City	9,150	-	(9,150)	-	-
88-13	Salt Storage Facility	32,623	-	-	-	32,623
88-14	New World System Upgrade	-	-	-	-	-
88-15	Solar Panel Project	14,100	-	-	-	14,100
88-17	Drainage - Wingate Dr/Paramount, New City	18,655	-	(18,655)	-	-
88-18	Demarest Mill Stream Wall Replacement	56,325	-	-	-	56,325
88-19	Squadron Blvd - Paving & Sidewalks	161,000	-	-	-	161,000
88-20	Bristol Court Drainage	2,500	-	(2,500)	-	-
88-22	Hackensack River Study - West Nyack	69,608	-	-	(35,109)	104,717
88-23	Congers Lake West Trail way	4,929	-	-	-	4,929
88-24	Hurricane Sandy	-	15,739	-	-	15,739
88-26	Lake Lucille Dam	(31,250)	3,125	-	-	(28,125)
88-27	Town Hall/Justice Ct Security	4,555	-	-	-	4,555
88-9999	Contingency	99,210	-	-	-	99,210
89-01	Technology Improvements	8,702	-	(7,345)	-	1,357
89-02	Maple Road Drainage	12,550	-	(9,737)	2,813	-
89-04	Cranford Drive, Drainage	(936)	-	-	-	(936)
89-07	Purchase of Mini trans bus	6,988	-	(6,988)	-	-
89-08	Feasibility Study- Realign Town Depts.	(60,114)	90,000	-	-	29,886
89-09	Lake Road Drainage & Channel Improvement	32,187	-	-	-	32,187
89-10	Carlton Court Drainage	5,283	-	(5,283)	-	-
<u>BALANCE CARRIED FORWARD</u>		<u>\$ 1,925,721</u>	<u>\$ 1,690,713</u>	<u>\$ (177,044)</u>	<u>\$ 1,743,884</u>	<u>\$ 1,695,506</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 1,925,721	\$ 1,690,713	\$ (177,044)	\$ 1,743,884	\$ 1,695,506
89-11	Town Hall Parking Lot	19,675	-	-	-	19,675
89-12	Purchase of Generator - Town Hall	4,000	-	(916)	-	3,084
89-13	Hereford Lane Drainage	11,707	-	-	2,047	9,660
89-15	Boom Truck - Highway	1,309	-	(1,309)	-	-
89-1001	Retainage - Hereford Lane Drainage	(2,047)	-	-	(2,047)	-
89-1003	Retainage - Feasibility Study- Realign Depts.	-	-	-	-	-
89-1004	Retainage - Maple Road Drainage	(2,813)	-	-	(2,813)	-
89-9999	Contingency	414	-	-	-	414
90-01	Highway Equipment	(152,699)	-	(6,309)	(159,008)	-
90-03	Kill Von Beast Drainage	3,297	-	(3,297)	-	-
90-05	Nanuet Downtown Improvements	8,960	-	-	-	8,960
90-06	Demarest Road Emergency Access	36,984	-	-	-	36,984
90-07	Crum Creek Low Flow Channel Repl.	31,365	-	-	-	31,365
90-08	Curtis Easement	16,805	-	-	1,500	15,305
90-09	Fanwood Lane/Branchville Rd Drainage	207,000	10,000	-	185,526	31,474
90-10	Joliffe Lane/Ohio Ave Drainage	173,000	-	-	150,000	23,000
90-11	Schriever Lane Drainage	19,769	-	-	-	19,769
90-12	Germonds Park Pool Renovations	(164,967)	1,789,376	-	1,501,374	123,035
90-15	Various Road & Drainage Improvements	136,391	8,852	-	-	145,243
90-16	Recreation Vehicles	2,741	-	-	-	2,741
90-18	Town Hall Computer Room Air Conditioning	2,910	-	-	-	2,910
90-19	Various Recreation Department Projects	(1,828)	-	1,828	-	-
90-20	Renee Lane Drainage	11,825	-	-	-	11,825
<u>BALANCE CARRIED FORWARD</u>		<u>\$ 2,289,519</u>	<u>\$ 3,498,941</u>	<u>\$ (187,047)</u>	<u>\$ 3,420,463</u>	<u>\$ 2,180,950</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 2,289,519	\$ 3,498,941	\$ (187,047)	\$ 3,420,463	\$ 2,180,950
90-21	Building Dept. Computer Hardware & Software	2,974	-	-	-	2,974
90-22	Old Brick Road	(30,700)	-	14,490	-	(16,210)
90-1000	Retainage - Schriever Lane Drainage	-	-	-	-	-
90-1001	Retainage - Demarest Road Emergency Access	-	-	-	-	-
90-1002	Retainage - Various Road & Drainage Imp.	(111,243)	-	-	(111,243)	-
90-1003	Retainage - Curtis Easement	(1,500)	-	-	(1,500)	-
90-1004	Retainage - Nanuet Downtown Improvements	-	-	-	-	-
90-1005	Retainage - Lakewood Drive Drainage	-	-	-	-	-
90-1006	Retainage - Crum Creek Low Flow Channel Repl.	-	-	-	-	-
90-1007	Retainage - Germonds Park Pool Renovations	(13,420)	-	-	(13,420)	-
90-1008	Retainage - Renee Lake Drainage	-	-	-	-	-
90-1009	Retainage - Germonds Park Pool Renovations	(10,690)	-	-	74,002	(84,692)
90-1010	Retainage-Fanwood Drive/Branchville Rd	-	-	-	9,765	(9,765)
90-9999	Contingency	-	-	16,260	-	16,260
91-01	Purchase of Lighting District	(6,966)	700,000	-	672,763	20,271
91-02	Purchase of Data Storage equipment	(191)	-	191	-	-
91-03	Emergency Operations Equipment	-	38,625	-	38,625	-
91-04	Communications Tower Site	(12,228)	34,902	1,962	25,834	(1,198)
91-05	2015 Road Improvements	1,134,375	-	-	1,167,999	(33,624)
91-06	Highway Equipment	183,255	-	94,949	318,016	(39,812)
91-07	Recreation - Various	(30,500)	35,000	12,979	4,400	13,079
91-08	Tennyson Park Repairs	(130,000)	130,000	-	-	-
91-09	Emergency Transformer Replacement	-	-	916	916	-
91-10	Traphagen House	410	100,000	-	102,226	(1,816)
91-11	Police Equipment Purchases	200,000	-	-	181,867	18,133
91-12	Hamden Heights Ct. Drainage	24,000	-	-	24,000	-
91-1001	Retainage - 2015 Road improvements	(40,429)	-	-	(40,429)	-
91-9999	Contingency	12,050	-	4,894	-	16,944
<u>BALANCE CARRIED FORWARD</u>		<u>\$ 3,458,716</u>	<u>\$ 4,537,468</u>	<u>\$ (40,406)</u>	<u>\$ 5,874,284</u>	<u>\$ 2,081,494</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
 CAPITAL PROJECTS FUND
 ANALYSIS OF CAPITAL PROJECTS FUND BALANCE BY PROJECT
 FOR THE YEAR ENDED DECEMBER 31, 2016

Number	Project Title	December 31, 2015 Balance	Revenues	Transfers	Expenditures	December 31, 2016 Balance
<u>BALANCE BROUGHT FORWARD</u>		\$ 3,458,716	\$ 4,537,468	\$ (40,406)	\$ 5,874,284	\$ 2,081,494
92-01	2016 Highway Equipment	-	975,000	-	588,733	386,267
92-02	2016 Road Improvements	-	2,027,721	-	1,899,985	127,736
92-03	Gilcrest Road Paving	-	125,000	-	124,769	231
92-4	Asphalt Sidewalk Construction	-	78,165	-	78,161	4
92-06	2016 Capital Road Improvements	-	-	40,406	40,406	-
92-07	Purchase of Equipment-Plotter (Planning)	-	-	-	16,616	(16,616)
92-08	Clarkstown Executive Blvd-Rd Resurfacing	-	1,502,000	-	1,070,364	431,636
92-09	Purchase of Marydell Property	-	-	-	3,500	(3,500)
92-10	9/11 Memorial Park	-	21,850	-	142,910	(121,060)
92-1001	Retainage:2016 Road Improvements	-	-	-	-	-
92-1002	Retainage: Gilcrest Road Paving-Inter County	-	-	-	-	-
92-1003	Retainage: Paving	-	-	-	56,335	(56,335)
	Reserve - Conklin Road	2,402	-	-	-	2,402
<u>BALANCE</u>		<u>\$ 3,461,118</u>	<u>\$ 9,267,204</u>	<u>\$ -</u>	<u>\$ 9,896,063</u>	<u>\$ 2,832,259</u>

The accompanying notes are an integral part of the financial statements

TOWN OF CLARKSTOWN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
AND EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
12/31/2013	\$ -	\$ 161,103,185	\$ 161,103,185	0.0%	\$ 59,242,202	272.00%
12/31/2014	\$ -	\$ 199,431,770	\$ 199,431,770	0.0%	\$ 61,293,894	325.00%
12/31/2015	\$ -	\$ 222,256,374	\$ 222,256,374	0.0%	\$ 61,373,185	362.00%
12/31/2016	\$ -	\$ 208,254,427	\$ 208,254,427	0.0%	\$ 60,982,300	341.50%

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2013	\$ 13,375,438	29.77%
2014	\$ 17,674,586	23.03%
2015	\$ 18,541,850	22.98%
2016	\$ 18,679,689	23.27%

See Paragraph on Supplementary Schedules Included in
Independent Auditor's Report.

TOWN OF CLARKSTOWN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY
LAST 10 FISCAL YEARS
(Dollar amounts in thousands)

	<u>2016</u>	<u>2015</u>
<u>ERS</u>		
Town's proportion of the net pension liability(asset)	0.106542%	0.106357%
Town's proportionate share of the net pension liability/(asset)	\$ 17,100	\$ 3,593
Town's-covered employee payroll	\$ 27,104	\$ 27,379
Town's proportionate share of the net pension liability/ (asset) as a percentage of its covered-employee payroll	63.09%	13.12%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	90.70%	97.90%
<u>PFRS</u>		
Town's proportion of the net pension liability(asset)	0.709454%	0.666471%
Town's proportionate share of the net pension liability/(asset)	\$ 21,005	\$ 1,835
Town's-covered employee payroll	\$ 28,321	\$ 27,175
Town's proportionate share of the net pension liability/ (asset) as a percentage of its covered-employee payroll	74.17%	6.75%
Plan fiduciary net position as a percentage of the total-pension liability/(asset)	90.20%	99.00%

See Paragraph on Supplementary Schedules Included in Independent Auditor's Report.

TOWN OF CLARKSTOWN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
LAST 10 FISCAL YEARS
(Dollar amounts in thousands)

	<u>2016</u>	<u>2015</u>
<u>ERS</u>		
Contractually required contribution	\$ 5,101	\$ 5,589
Contributions in relation to the contractually required contribution	<u>5,101</u>	<u>5,589</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's-covered employee payroll	\$ 27,104	\$ 27,379
Contributions as a percentage of covered-employee payroll	18.82%	20.41%
<u>PFRS</u>		
Contractually required contribution	\$ 6,749	\$ 7,028
Contributions in relation to the contractually required contribution	<u>6,749</u>	<u>7,028</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's-covered employee payroll	\$ 28,321	\$ 27,175
Contributions as a percentage of covered-employee payroll	23.83%	25.86%

See Paragraph on Supplementary Schedules Included in
Independent Auditor's Report.

