

**TOWN OF NORTH CASTLE, NEW YORK**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the year ended December 31, 2015**  
**Together with**  
**Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

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TOWN OF NORTH CASTLE  
PRINCIPAL OFFICIALS

		<u>Term Ends</u>
SUPERVISOR:	Michael Schiliro	12/31/15
TOWN BOARD:	Stephen D'Angelo	12/31/15
	Guy Mezzancello	12/31/15
	Barry Reiter	12/31/17
	Barbara DiGiacinto	12/31/17
TOWN CLERK:	Anne Curran	12/31/15
RECIEVER OF TAXES:	Patricia A. Colombo	12/31/17
TOWN ADMINISTRATOR:	Joan Goldberg	
TOWN COMPTROLLER:	Denise Oakley	

VOTERS

TOWN SUPERVISOR

TOWN COUNCILMEN

TOWN CLERK

RECEIVER OF TAXES

TOWN JUSTICES

TOWN ADMINISTRATOR

TOWN DEPARTMENTS

POLICE

RECREATION AND PARKS

FINANCE

HIGHWAY / DPW

PLANNING

ASSESSOR

WATER & SEWER

BUILDING & ENG

CODE ENFORCER

BOARDS AND COMMITTEES

PLANNING BOARD

ZONING BOARD OF APPEALS

ARCHITECTURAL REVIEW BOARD

RECYCLING COMMITTEE

RESIDENTIAL PROJECT REVIEW COMM.

LIBRARY BOARD

ASSESSMENT BOARD OF REVIEW

CONSERVATION BOARD

OPEN SPACE COMMITTEE

HOUSING BOARD

LIBRARY

BEAUTIFICATION COMMITTEE

COMMUNICATIONS COMMITTEE

ROAD NAMING COMMITTEE

ELIJAH MILLER HOUSE COMM.

SUSTAINABLE NORTH CASTLE

BOARD OF ETHICS

AIRPORT COMMITTEE

LANDMARKS PRESERVATION COMMITTEE

RECREATION AND PARKS ADVISORY BOARD



**TOWN OF NORTH CASTLE**  
Town Hall Annex – 17 Bedford Road  
Armonk, New York 10504

**Established 1736**

**Joan Goldberg**  
Town Administrator

(914) 273-7305  
jgoldberg@northcastleny.com

April 29, 2016

To the Honorable Supervisor and Town Board of the Town of North Castle, New York

The Comprehensive Annual Financial Report (“CAFR”) for the Town of North Castle, New York (“Town”) for the fiscal year ended December 31, 2015 is herewith submitted. The New York State Comptroller’s Office requires the Town to submit an annual report of the financial record and transactions presented in conformity with generally accepted accounting principles (“GAAP”). The Town has elected to have these statement audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to this requirement and Town Board policy.

This report consists of management’s responsibilities concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all information present in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town’s assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Town’s financial statements in conformity with GAAP. Because the cost of internal controls should not out-weigh their benefits, the Town’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town’s financial statements have been audited by Bonadio & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the year ended December 31, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by management. The independent auditor concluded based upon the audit, that there was reasonable basis for rendering unqualified opinions that the Town’s basic financial statements, for the year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2015 financial statements to accompany the basic financial statements in the form of Management’s Discussion and Analysis (“MD&A”).

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditor.

## **Profile of the Town**

The Town was incorporated in 1788 by New York State as separate political entity vested with independent taxing and debt authority. There are no incorporated villages situated within the Town's borders. The Town has portions of five independently governed school districts, which rely on the taxing powers granted by New York State to raise revenues for school district purposes. The school districts use the Town's assessment roll as the basis for taxation of property within the Town.

In 2012 the Town hired a Town Administrator, setting up a Town Board – Administrator form of governance. The Town Board is the legislative, appropriating, governing and policy determining body of the Town and consists of four councilpersons, elected at large to serve a four-year term, plus the Supervisor. Councilpersons may serve an unlimited number of terms. It is the responsibility of the Town Board to enact, by resolution, all legislation including ordinances and local laws. Annual budgets for the Town must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board on the recommendation of the Supervisor and Town Administrator.

The Town Supervisor is elected for a two-year term of office. The Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include that of the Chief Executive and Chief Financial Officers. The Town Administrator is the Town's Chief Operating Officer and handles the administration of the Town's daily functions, including contract negotiations and departmental management. Additionally, under the supervision of the Town Supervisor, the Town Administrator prepares the annual budget.

The Town provides a wide range of governmental services to its residents. Highway construction and maintenance of roads is a Town function. Recreation is provided and parks are maintained through the Town government. Water, sewer, lighting, fire protection and ambulance services are furnished by various special districts, which have been formed within the Town. Other services performed at the Town level include property assessment, police protection, zoning administration and planning. The Town provides refuse collection services to residential properties and pays the cost thereof from the General Fund.

The annual budget serves as the foundation for the Town's financial planning and control. All departments are required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the Town Administrator and Town Comptroller on or before October 20<sup>th</sup>. Estimates for each fire district situated within the Town must also be filed with the Comptroller by this date (the Town has no authority to amend the budget submitted by the fire districts). After reviewing these estimates, the Town Administrator prepares a tentative budget which includes his/her recommendations. The tentative budget is filed with the Town Clerk no later than October 30<sup>th</sup>.

Subsequently, the Town Administrator presents the tentative budget to the Town Board at the regular or special hearing, which must be held on or before November 10<sup>th</sup>.

The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are consistent the provision of the law. Following this review process, the tentative budget, including any modifications, as approved by the Town Board becomes the preliminary budget. A public hearing, notice of which must be duly published in the Town's official newspaper, on the preliminary budget is required to be held no later than December 10<sup>th</sup>. At the hearing, any person may express their opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by member 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 December 20<sup>th</sup>, at which time the preliminary budget becomes the adopted budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Town Administrator and Supervisor. However, any changes or modification to the annual budget, including the transfer of appropriations among line items, must be approved by resolution of the Town Board. Budget to actual comparisons are provided in this report for each individual fund for which an annual budget has been adopted. For the General, Highway, Public Library and Special District funds, these comparisons are presented as part of the basic financial statements. For other governmental funds with annual budgets, the comparisons are presented in the governmental funds subsection of this report.

### **Factors Affecting Financial Condition**

The information represented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

### **Local Economy**

The Town is situated in the central portion of Westchester County, which continues to rank among the most affluent counties in the United States. The Town encompasses approximately 26 square miles and is primarily suburban residential in nature. However, the Town has a significant commercial base, which includes the world headquarters for International Business Machine ("IBM"), Swiss Re and several other large corporations. The population of the Town, according to the 2010 estimated census, is 11,841, which represents an increase of 9% since the 2000 official census report.

### **Completed Projects**

The following projects were implemented and/or completed in the year ending 12/31/15:

- Various park facility improvements
- Reconstruction of historic gazebo
- Maintained a minimum 20% Undesignated Fund Balance
- Reconstruction of 10 miles of Town roads
- Ultraviolet Water Purification
- Upgraded records management software
- Secured federal surplus equipment for the Town's use

## **Long-Term Financial Planning**

The Town's future projects include the following:

- Utilize road maintenance plan to increase the Town's Pavement Condition Index
- Maintain Town equipment and truck replacement schedule using budgeted monies
- Review of town owned buildings and land for maximum benefit determination
- Construction of additional parking in business district to encourage growth
- Possible future acquisition of local pool for municipal use
- Renovation/expansion of Town library/community center
- Streetscape improvements

## **Relevant Financial Policies**

In 2010 the Town Board adopted a formal fund balance policy, establishing an unreserved/undesignated fund balance in the General Fund of 10% to 20% of Operating funds expenditures with a 5% minimum level required, unless unforeseen expenditures occur. If the Town's reserves fall below 10%, the policy requires the reserve balance to be restored within three to five years through financial operations. The Town continues to maintain reserves at adequate levels due to management's demonstrated commitment to being structurally balanced. The Town's investment policy and purchasing policy are adopted and reviewed annually. The Town's multi-year capital plan is reviewed and modified annually. Since the enactment of the tax cap, North Castle's annual tax levy increase has not exceeded the cap limits.

## **Awards and Acknowledgments**

The Town has been awarded a Certificate of Achievement for Excellence in Financial Reporting for its CAFR from the Government Finance Officers Associations ("GFOA") for the fiscal year ended December 31, 2012, which was the fourteenth consecutive year that the Town has achieved this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Preparation of this report could not be accomplished without the efficient and dedicated services of the members of the entire Town Staff, as well as our independent auditor, who assisted in its preparation. Thank you to all who participated in the process.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joan Goldberg". The signature is fluid and cursive, with the first name "Joan" being more prominent than the last name "Goldberg".

Joan Goldberg  
Town Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of North Castle  
New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

**INDEPENDENT AUDITOR'S REPORT**

May 4, 2016

To the Town Board of  
Town of North Castle, New York:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of North Castle, New York (Town), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain 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 for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town as of December 31, 2015 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.

(Continued)

## INDEPENDENT AUDITOR'S REPORT (Continued)

### Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2015 the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

### Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of funding progress-other postemployment benefit plans, schedule of proportionate share of net pension liability and schedule of contributions-pension plans, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Report on Supplementary Information

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

The comparative financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative 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.

Bonadio & Co., LLP

# **TOWN OF NORTH CASTLE, NEW YORK**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) DECEMBER 31, 2015**

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### **INTRODUCTION**

As management of the Town of North Castle, New York (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2015. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

### **USING THIS ANNUAL REPORT**

This annual report consists of a set of financial statements and notes. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements begin thereafter. For governmental activities, these statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for fiscal year ended 2015 are as follows:

- On the government-wide financial statements, the assets of the Town exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$13,012,242.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,788,473, representing a decrease in fund balance of \$8,203,499 from the prior year. This was primarily due to the completion of capital projects in 2015.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,294,618, which is 27.8% of total General Fund expenditures for 2015; a decrease of \$2,742,914 from the previous year. This decrease was due to both the Town's continued use of accumulated fund balance for road improvement projects, as well as retroactive pay for our police force. During 2015, the Town settled the Police Benevolent Association collective bargaining agreement for the period of 2011 through 2018, and retroactive payments were made for the years 2011 through 2015, all coming from fund balance.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, earned but unused vacation leave and other postemployment benefit obligations ("OPEB")).

The government-wide financial statements distinguish functions of the Town that are *governmental activities* (those principally supported by taxes and intergovernmental revenues). The governmental activities of the Town include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

The government-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

## FUND FINANCIAL STATEMENTS

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

### Governmental Funds

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

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

The Town maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Highway Fund, Public Library Fund, Special Districts Fund, Capital Projects Fund and Debt Service Fund, which are considered to be major funds.

## **FUND FINANCIAL STATEMENTS (Continued)**

### **Governmental Funds (Continued)**

The Town adopts an annual appropriated budget for its General Fund, Highway Fund, Public Library Fund and Special Districts Fund. A budgetary comparison statement has been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets. The governmental fund financial statements can be found in the basic financial statements section of this report.

### **Fiduciary Funds**

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Town programs. The Town maintains only one type of fiduciary fund that is known as an Agency Fund. The Town holds resources in this fund purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization, or government.

The fiduciary fund financial statements can be found in the basic financial statements section of this report.

## **NOTES TO FINANCIAL STATEMENTS**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are located following the basic financial statements section of this report.

## **OTHER INFORMATION**

Additional statements and schedules can be found immediately following the notes to financial statements. These include the comparative statements for the governmental funds and schedules of budget to actual comparisons.

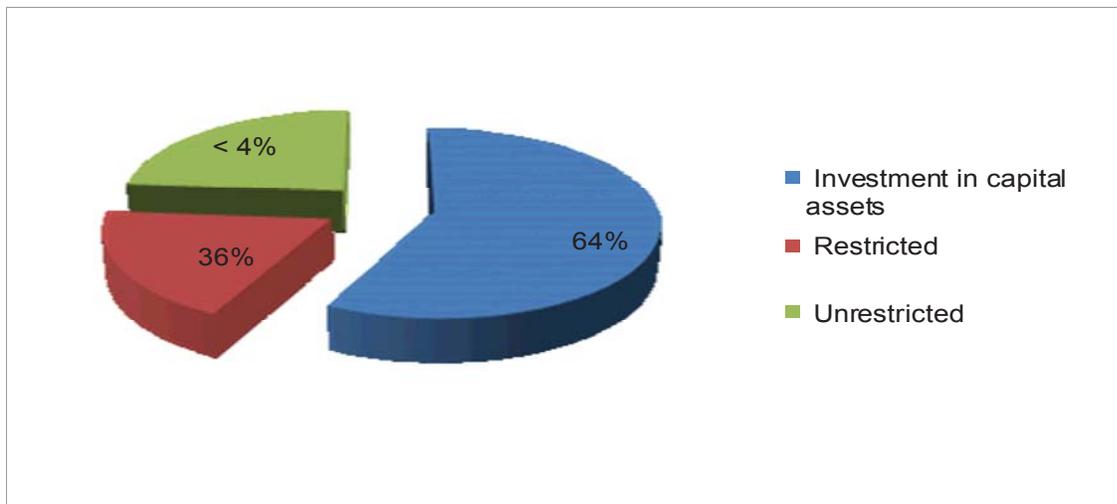
## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$13,012,242 at the close of 2015.

## NET POSITION

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Percent Change</u>
<b>Assets:</b>			
Current and other assets	\$ 52,996,849	\$ 60,080,873	-12%
Capital assets, net	<u>37,928,485</u>	<u>36,657,991</u>	3%
Total assets	<u>90,925,334</u>	<u>96,738,864</u>	-6%
Deferred outflows of resources	<u>2,440,169</u>	<u>-</u>	
Total assets and deferred outflows	<u>93,365,503</u>	<u>96,738,864</u>	
<b>Liabilities:</b>			
Current liabilities	38,386,787	38,307,338	0%
Long-term debt outstanding	<u>41,944,017</u>	<u>39,325,725</u>	7%
Total liabilities	<u>80,330,804</u>	<u>77,633,063</u>	3%
Deferred inflows of resources	<u>22,457</u>	<u>-</u>	
<b>Net position</b>			
Investment in capital assets	14,247,485	12,049,991	18%
Restricted	4,631,502	10,793,424	-57%
Unrestricted	<u>(5,866,745)</u>	<u>(3,870,614)</u>	52%
Total net position	<u>\$ 13,012,242</u>	<u>\$ 18,972,801</u>	-31%

### Net Position Distribution December 31, 2015



By far, the largest component of the Town's net position is its investment in capital assets (land improvements, building improvements, infrastructure, machinery and equipment and construction-in-progress) (64%). The Town uses these capital assets to provide services to its citizens. Consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## NET POSITION (Continued)

The restricted net position of \$4,631,502 represents resources that are subject to external restrictions on how they may be used. These restrictions are as follows:

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Percent Change</u>
Capital projects	\$ 30,508	\$ 6,004,324	100%
Workers' compensation benefits	1,692	1,692	0%
Special districts	4,595,651	4,783,757	-4%
Debt service	<u>3,651</u>	<u>3,651</u>	0%
 Total	 <u>\$ 4,631,502</u>	 <u>\$ 10,793,424</u>	 -57%

Net position subject to external restrictions on how they may be used is \$18,878,987 with the remaining balance of unrestricted net position, which is a deficit of \$5,866,745 which must be financed from future operations. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments of other postemployment benefit and net pension obligations (\$18.4 million) that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made.

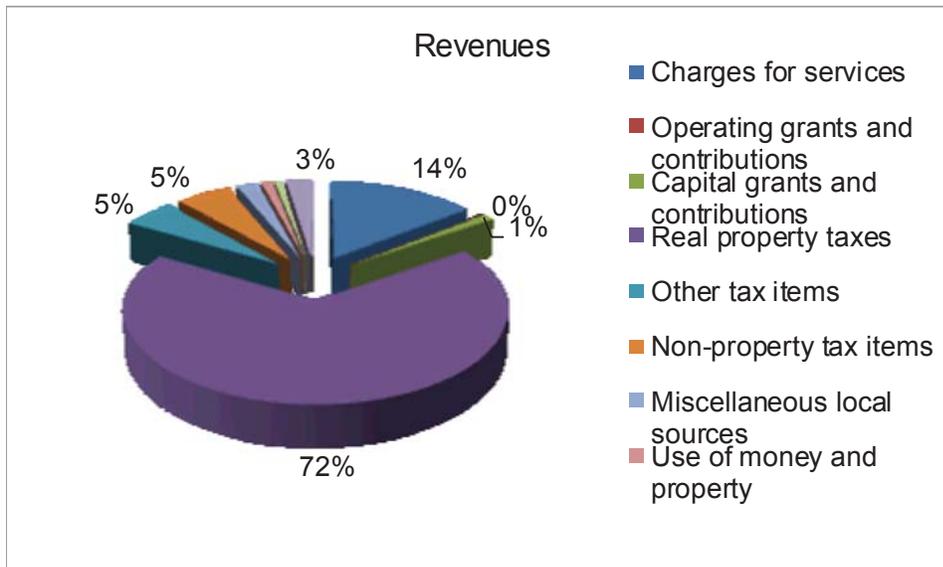
## Change in Net Position

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Percent Change</u>
<b>Revenue:</b>			
Program revenue:			
Charges for services	\$ 4,606,726	\$ 3,869,963	19%
Operating grants and contributions	2,405	61,836	-96%
Capital grants and contributions	352,932	338,359	4%
General revenue:			
Real property taxes	21,777,992	20,789,170	5%
Other tax items	1,613,511	1,376,678	17%
Non-property tax items	1,707,607	1,724,158	-1%
Miscellaneous local sources	660,214	390,023	69%
Use of money and property	337,977	98,710	242%
Sale of property and compensation for loss	235,584	99,890	136%
State aid	<u>775,351</u>	<u>863,425</u>	-10%
 Total revenue	 <u>32,070,299</u>	 <u>29,612,212</u>	 8%
<b>Expenses:</b>			
General support	4,621,722	4,491,082	3%
Public safety	11,170,848	9,468,143	18%
Health	274,296	273,690	0%
Transportation	7,928,052	5,749,561	38%
Economic assistance and opportunity	300,679	237,086	27%
Culture and recreation	5,747,153	4,746,241	21%
Home and community services	7,402,203	7,664,127	-3%
Debt service	<u>725,766</u>	<u>477,255</u>	52%
 Total expenses	 <u>38,170,719</u>	 <u>33,107,185</u>	 15%
 <b>Change in Net Position</b>	 <u>\$ (6,100,420)</u>	 <u>\$ (3,494,973)</u>	 75%

## GOVERNMENTAL ACTIVITIES

For the fiscal year ended December 31, 2015, revenues from governmental activities totaled \$32,070,299. Tax and other tax items revenues of \$25,099,110, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (79%). The \$2,458,087 increase in total governmental activities revenues from the prior year is the result of a combination of the following significant factors:

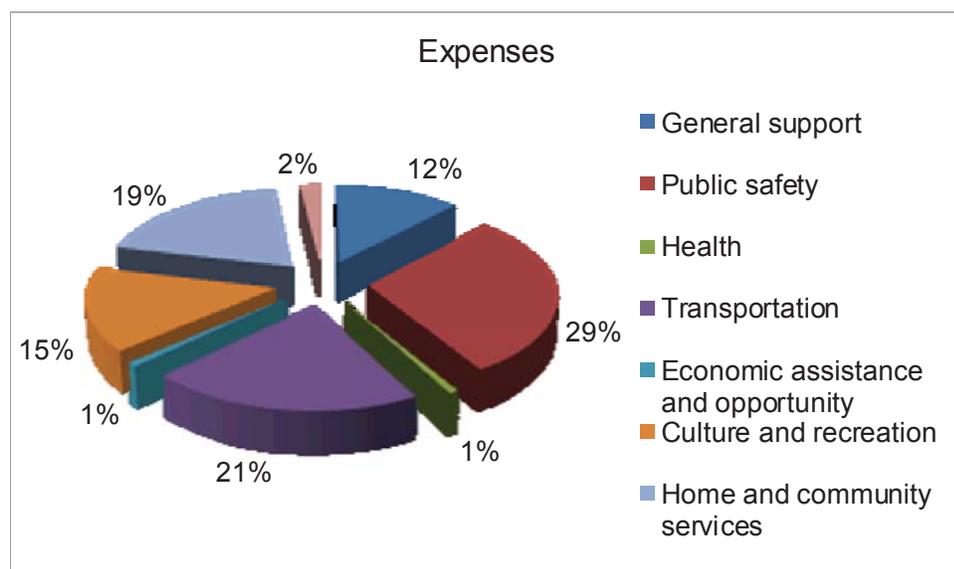
- Program revenue increased by \$736,763, mainly due to the sale of pool passes, which is a new source of revenue for the Town.
- Non-property taxes decreased by \$16,551 as the result of a decrease in sales tax collections.



For the fiscal year ended December 31, 2015, expenses from governmental activities totaled \$38,170,719. The largest components of governmental activities expenses are public safety \$11,170,848 (29%), transportation \$7,928,052 (21%), home and community services \$7,402,203 (19%), culture and recreation \$5,747,153 (15%), and general government support \$4,621,722 (12%). Expenses increased from the prior year by \$5,063,534, or 15%, primarily as a result of a combination of the following significant factors:

- Public safety increased by \$1,702,705 primarily as a result of retro-active salary adjustments.
- Transportation increased by \$2,178,491 primarily as a result of increased road pavement projects, and expenditures pertaining to several winter storms.
- Culture and recreation expenses increased by \$1,100,912 primarily as a result of the Town's operation of a local pool. These expenses were largely offset by new revenue for the Town (pool passes.)

## GOVERNMENTAL ACTIVITIES (Continued)



## FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

### Governmental Funds

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable resources*. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,788,473, a decrease of \$8,203,499 compared to last years ending balance of \$20,991,972. This is now presented under the GASB Statement No. 54 fund balance classifications. The non-spendable fund balance component is \$587,230, consisting of amounts representing prepaid expenditures. Fund balance of \$4,631,502 is restricted primarily for special district funds. The assigned fund balance classification aggregates \$2,275,123, consisting primarily of amounts reserved for encumbrances and special districts. The remaining fund balance is unassigned and represents the remaining positive fund balance in the General Fund of \$5,294,618 after amounts that have been restricted, committed or assigned for other purposes

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,294,618, representing 89.8% of the total General fund balance of \$5,893,240. This is a decrease from the prior year, when the total unassigned fund balance was \$8,037,532. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures and total fund balance to total expenditures. As a result of the above discussion, at the end of the current fiscal year, the General Fund showed a 26% unassigned fund balance as compared to total expenditures and other financing uses, down from 43% in the prior year. Total unassigned general fund balance decreased 34% due to a change in deferred taxes, retroactive pay, and expenditures for road projects.

## **FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)**

### **Governmental Funds (Continued)**

The fund balance of the General Fund decreased by \$2,816,463 during the fiscal year ended December 31, 2015. Actual expenditures and other financing uses were \$477,596 less than the amount contained in the final budget, representing a savings of 1% of the total budget. Savings of \$110,566, \$104,711 and \$148,965 were achieved in the general government support, culture and recreation and public safety respectively due to tight control on expenditures. The other savings were spread over the entire budget in no one particular area. Actual revenues and other financing sources was less than the final budget by \$318,939, or 1%. The revenue categories that reflected significant negative variance as compared to the budget were real property taxes of \$1,295,304 resulting from a change in deferred property taxes.

The Town continues to meet its fund balance goals as set in the fund balance policy approved by the Town Board. The Town has designated none of the general fund balance to be used for real property tax relief in the 2016 fiscal year.

The Highway Fund's total fund balance at the end of the current fiscal year was \$2,052,640, a increase of \$868,333 from the previous year. This was due to increased fees from other governments for snow removal, and for equipment ordered but not yet delivered by the close of the fiscal year.

The Library Fund's total fund balance at the end of the current fiscal year was \$212,783, a decrease of \$93,447 from the previous year. Fund balance was used for capital improvements to the physical building.

The Special Districts Fund's total fund balance at the end of the current fiscal year was \$4,595,651, a decrease of \$188,106 from the previous year. Fund balance was used for district capital improvements.

The Capital Projects Fund reflects a fund balance of \$30,508 at the end of the current fiscal year, a decrease of \$5,973,816 from the previous year. Total revenues and other financing sources aggregated \$1,053,407. This revenue was derived primarily from transfers and financing. Capital outlay expenditures and other financing uses totaled \$7,027,223. These costs were primarily related to water and sewer projects.

## GENERAL FUND BUDGETARY HIGHLIGHTS

There was a positive variance between the original and final revenue budget versus the actual results for the General Fund, with the final budget at \$20,940,613 and the actual results at \$20,463,017 a net positive variance of \$158,657.

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual (Budgetary Basis)</i>	<i>Final Budget Variance with Budgetary Actual</i>
REVENUE:				
Real property taxes and tax items	\$ 14,859,382	\$ 14,859,382	\$ 14,000,415	\$ (858,967)
Departmental income	1,450,767	1,607,667	1,703,731	96,064
Licenses and permits	494,000	633,244	907,323	274,079
State aid	752,000	754,700	808,541	53,841
Other revenue	245,500	110,500	226,544	116,044
Transfer from other fund	-	-	-	-
<b>Total revenue</b>	<b><u>17,801,649</u></b>	<b><u>17,965,493</u></b>	<b><u>17,646,554</u></b>	<b><u>(318,939)</u></b>
EXPENDITURES:				
General governmental support	4,418,264	4,116,271	4,005,705	110,566
Public Safety	8,346,256	9,993,690	9,844,725	148,965
Other expenditures	4,682,561	5,088,629	4,871,571	217,058
Debt service	354,568	349,568	190,561	159,007
Transfer to other fund	-	1,392,455	1,550,455	(158,000)
<b>Total expenditures</b>	<b><u>17,801,649</u></b>	<b><u>20,940,613</u></b>	<b><u>20,463,017</u></b>	<b><u>477,596</u></b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>(2,975,120)</b>	<b>(2,816,463)</b>	<b>158,657</b>
<b>FUND BALANCE - beginning of year</b>	<b><u>8,709,703</u></b>	<b><u>8,709,703</u></b>	<b><u>8,709,703</u></b>	<b><u>-</u></b>
<b>FUND BALANCE - end of year</b>	<b><u>\$ 8,709,703</u></b>	<b><u>\$ 5,734,583</u></b>	<b><u>\$ 5,893,240</u></b>	<b><u>\$ 158,657</u></b>

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The Town's investment in capital assets for governmental activities at December 31, 2015, net of \$37,125,769 of accumulated depreciation, was \$37,928,485. This investment in capital assets includes land, land improvements, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress.

Major capital asset activity during the current fiscal year included the following:

### Governmental Activities

- Water District #2 System Replacement
- Road improvements
- Highway and police equipment

Capital Assets (Net of Accumulated Depreciation)

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>	<u>Percent Change</u>
Land	\$ 3,556,741	\$ 3,536,047	1%
Land improvements	2,752,815	2,467,254	12%
Construction in progress	7,263,907	4,020,789	81%
Buildings and improvements	10,302,420	11,204,457	-8%
Machinery and equipment	3,367,625	4,253,284	-21%
Infrastructure	<u>10,684,977</u>	<u>11,176,160</u>	-4%
Total capital assets	<u>\$ 37,928,485</u>	<u>\$ 36,657,991</u>	3%

### Long-term Debt

On November 5<sup>th</sup>, 2014, Moody's Investors Service reviewed and assigned a rating of Aaa to the Town. The Aaa rating, which is the highest rating achievable, reflects the Town's substantial, diverse and wealthy tax base that includes Fortune 500 corporate headquarters, a low debt burden and adequate reserve levels. The stable outlook reflects Moody's belief that the Town continues to restore structure balance and its reserves.

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$22,986,000. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)**

### **Long-term Debt (Continued)**

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law §104, the Town must limit total outstanding long-term debt to no more than 7% of the five-year average full valuation of real property. At December 31, 2015, the Town had only utilized 1.21% of its constitutional debt limit, and had the authority to issue an additional \$345,915,348 of general obligation long-term debt.

The Town anticipates a modest capital budget for 2015. Essential equipment will be considered to maintain the Town's long range equipment replacement plan, and the accelerated road improvements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

According to the New York State Department of Labor, the unemployment rate for the Town was 5.1% as of December 2015. This compares favorably with the rate of 6.3% for New York State and with the 6.1% national unemployment rate. Real estate activity, particularly home building and repairs, have started to show improvement in 2015, bringing the building permit fees up from the previous year. As the collective bargaining agreements were in place for 2016, labor costs were predictable for the next fiscal year. All of these factors were taken into consideration in developing the 2016 budget.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to:

Joan Goldberg, Town Administrator  
Town of North Castle  
15 Bedford Road.  
Armonk, New York 10504.

**TOWN OF NORTH CASTLE, NEW YORK**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 23,965,609
Cash with fiscal agent	113,965
Receivables:	
Taxes, net	27,593,443
Accounts	80,549
Water rents	160,438
Due from other governments	495,615
Prepaid items	<u>587,230</u>
Total current assets	<u>52,996,849</u>
Capital Assets:	
Non-depreciable	10,820,648
Depreciable, net	<u>27,107,837</u>
Total capital assets	<u>37,928,485</u>
Deferred outflows of resources:	
Deferred outflows of resources - pensions	<u>2,440,169</u>
Total assets and deferred outflows of resources	<u>93,365,503</u>
<b>LIABILITIES</b>	
Accounts payable	1,023,947
Retainages payable	493,766
Accrued interest	152,813
Due to school districts	34,892,261
Bond anticipation notes payable	695,000
Current portion of long term debt	<u>1,129,000</u>
Total current liabilities	<u>38,386,787</u>
Non-current liabilities:	
Compensated absences	1,627,320
Other postemployment benefits	17,377,701
Net pension liability	1,081,996
Bonds payable	<u>21,857,000</u>
Total long-term liabilities	<u>41,944,017</u>
Total liabilities	<u>80,330,804</u>
Deferred inflows of resources:	
Deferred inflows of resources - pensions	<u>22,457</u>
Total liabilities and deferred inflows of resources	<u>80,353,261</u>
<b>NET POSITION</b>	
Net investment in capital assets	14,247,485
Restricted for:	
Capital projects	30,508
Workers' compensation benefits	1,692
Special districts -	
Water	2,321,412
Sewer	2,209,159
Street Lighting	29,749
Fire	405
Parking	3,062
Ambulance	31,864
Debt service	3,651
Unrestricted	<u>(5,866,745)</u>
Total net position	<u>\$ 13,012,242</u>

**TOWN OF NORTH CASTLE, NEW YORK**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>PRIMARY GOVERNMENT:</b>					
Governmental activities -					
General governmental support	\$ 4,621,722	\$ 37,095		\$ 352,932	\$ (4,231,695)
Public safety	11,170,848	172,938		-	(10,997,910)
Health	274,296	-		-	(274,296)
Transportation	7,928,052	483,577	2,405	-	(7,442,070)
Economic opportunity and development	300,679	-		-	(300,679)
Culture and recreation	5,747,153	1,337,710		-	(4,409,443)
Home and community services	7,402,203	2,575,406		-	(4,826,797)
Interest	<u>725,766</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(725,766)</u>
Total governmental activities	<u>\$ 38,170,719</u>	<u>\$ 4,606,726</u>	<u>\$ 2,405</u>	<u>\$ 352,932</u>	<u>(33,208,656)</u>
<b>GENERAL REVENUES:</b>					
Real property taxes and other tax items					21,777,992
Payments in lieu of taxes					936,061
Interest and penalties on real property taxes					677,450
Non-property tax distribution from County					1,707,607
Franchise fees - cable TV					304,117
Use of money and property					337,977
Sale of property and compensation for loss					235,584
State aid					775,351
Miscellaneous					<u>356,097</u>
Total general revenues					<u>27,108,236</u>
Change in net position					(6,100,420)
Net position - beginning of year, previously reported					18,972,801
Cumulative effect of change in accounting principle					<u>139,861</u>
Total net position - beginning of the year, as restated					<u>19,112,662</u>
Net position - end of year					<u>\$ 13,012,242</u>

**TOWN OF NORTH CASTLE, NEW YORK**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2015**

	General Fund	Highway Fund	Public Library Fund	Special Districts Fund	Capital Projects Fund	Debt Service Fund	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 15,520,814	\$ 2,135,672	\$ 248,212	\$ 4,568,098	\$ 1,489,162	\$ 3,651	\$ 23,965,609
Cash with fiscal agent	-	-	-	-	113,390	575	113,965
Taxes receivable, net of allowance for uncollectible taxes	27,589,232	-	4,211	-	-	-	27,593,443
Other Receivables:							
Accounts	64,236	8,493	-	7,820	-	-	80,549
Water rents	-	-	-	160,438	-	-	160,438
Due from other governments	495,615	-	-	-	-	-	495,615
Prepaid expenses	587,230	-	-	-	-	-	587,230
<b>Total assets</b>	<b>\$ 44,257,127</b>	<b>\$ 2,144,165</b>	<b>\$ 252,423</b>	<b>\$ 4,736,356</b>	<b>\$ 1,602,552</b>	<b>\$ 4,226</b>	<b>\$ 52,996,849</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Accounts payable	\$ 368,224	\$ 91,525	\$ 39,640	\$ 140,705	\$ 383,853	\$ -	\$ 1,023,947
Retainages payable	-	-	-	-	493,191	-	493,191
Bond interest and matured bonds payable	-	-	-	-	-	575	575
Due to school districts	34,892,261	-	-	-	-	-	34,892,261
Bond anticipation notes payable	-	-	-	-	695,000	-	695,000
<b>Total liabilities</b>	<b>35,260,485</b>	<b>91,525</b>	<b>39,640</b>	<b>140,705</b>	<b>1,572,044</b>	<b>575</b>	<b>37,104,974</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Property tax revenues	3,103,402	-	-	-	-	-	3,103,402
Construction revenue	-	-	-	-	-	-	-
Water revenues	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>3,103,402</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,103,402</b>
<b>FUND BALANCES:</b>							
Nonspendable	587,230	-	-	-	-	-	587,230
Restricted	1,692	-	-	4,595,651	30,508	3,651	4,631,502
Assigned	9,700	2,052,640	212,783	-	-	-	2,275,123
Unassigned	5,294,618	-	-	-	-	-	5,294,618
<b>Total fund balances</b>	<b>5,893,240</b>	<b>2,052,640</b>	<b>212,783</b>	<b>4,595,651</b>	<b>30,508</b>	<b>3,651</b>	<b>12,788,473</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 44,257,127</b>	<b>\$ 2,144,165</b>	<b>\$ 252,423</b>	<b>\$ 4,736,356</b>	<b>\$ 1,602,552</b>	<b>\$ 4,226</b>	<b>\$ 52,996,849</b>

## TOWN OF NORTH CASTLE, NEW YORK

### RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2015

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Total fund balance - governmental funds	\$ 12,788,473
Total net assets reported for governmental activities in the statement of net assets is different because:	
GASB 68 relater government wide activity:	
Deferred outflows of resources	2,440,169
Net pension liability	(1,081,996)
Deferred inflows of resources	(22,457)
Capital assets used in governmental activities are not current financial resources and; therefore, are not reported in the funds.	37,928,485
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Real property taxes	3,103,402
Long-term liabilities that are not due and payable in the current period are not reported in the funds	
Accrued interest payable	(152,813)
Bonds payable	(22,986,000)
Compensated absences	(1,627,320)
Other postemployment benefits	<u>(17,377,701)</u>
Total net position of governmental activities	<u>\$ 13,012,242</u>

The accompanying notes are an integral part of these statements.

TOWN OF NORTH CASTLE, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Highway Fund	Public Library Fund	Special Districts Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUES:							
Real property taxes	\$ 10,375,180	\$ 5,629,811	\$ 1,618,948	\$ 2,967,490	\$ -	\$ -	\$ 20,591,429
Other tax items	1,613,511	-	-	-	-	-	1,613,511
Nonproperty tax items	2,011,724	-	-	-	-	-	2,011,724
Departmental income	1,703,731	-	13,398	1,489,643	-	-	3,206,772
Intergovernmental charges	-	435,659	9,836	225,735	-	-	435,659
Use of money and property	102,406	-	-	-	-	-	102,406
Licenses and permits	781,959	-	-	-	-	-	781,959
Fines and forfeitures	125,364	-	-	-	-	-	125,364
Sale of property and compensation for loss	47,918	163,137	1,199	23,330	-	-	235,584
Interfund revenue	-	2,639	-	-	-	-	2,639
State aid	808,541	209,160	45,387	-	65,195	-	1,128,283
Federal aid	2,405	62,876	-	-	-	-	65,281
Miscellaneous	73,815	470	43,768	1,751	227,625	-	347,429
Total revenues	17,646,554	6,503,752	1,732,536	4,707,949	292,820	-	30,883,611
EXPENDITURES:							
General governmental support	4,005,705	20,416	-	41,818	-	-	4,067,939
Public safety	9,844,725	-	-	496,695	-	-	10,341,420
Health	7,664	-	-	265,953	-	-	273,617
Transportation	345,543	6,661,397	-	121,072	-	-	7,128,012
Economic opportunity and development	276,934	-	-	-	-	-	276,934
Culture and recreation	3,004,775	-	1,825,983	-	-	-	4,830,758
Home and community services	1,236,655	-	-	2,098,179	-	-	3,334,834
Debt service -							
Principal	127,020	165,000	-	822,980	-	-	1,115,000
Interest	63,541	46,606	-	616,080	-	-	726,227
Capital outlay	-	-	-	-	6,992,494	-	6,992,494
Total expenditures	18,912,562	6,893,419	1,825,983	4,462,777	6,992,494	-	39,087,235
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,266,008)	(389,667)	(93,447)	245,172	(6,699,674)	-	(8,203,624)
OTHER FINANCING SOURCES (USES):							
Insurance recoveries	-	1,258,000	-	125	760,587	-	2,053,316
Transfers in	(1,550,455)	-	-	(468,132)	(34,729)	-	(2,053,316)
Transfers out	-	-	-	-	-	-	-
Total other financing sources and uses	(1,550,455)	1,258,000	-	(433,278)	725,858	-	125
CHANGE IN FUND BALANCE	(2,816,463)	868,333	(93,447)	(188,106)	(5,973,816)	-	(8,203,499)
FUND BALANCE - beginning of year	8,709,703	1,184,307	306,230	4,783,757	6,004,324	3,651	20,991,972
FUND BALANCE - end of year	\$ 5,893,240	\$ 2,052,640	\$ 212,783	\$ 4,595,651	\$ 30,508	\$ 3,651	\$ 12,788,473

## TOWN OF NORTH CASTLE, NEW YORK

### RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015

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Net change in fund balances - governmental funds \$ (8,203,499)

Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental funds report outlays as expenditures. However, in the  
statement of activities, the cost of those assets is allocated over their  
estimated useful lives and reported as depreciation expense. This is the  
amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay expenditures less disposals	258,059
Capital adjustments	4,105,642
Depreciation expense	(3,124,864)

Pension expense resulting from the GASB 68 related actuary reporting is not recorded  
as an expenditure in the government funds but is recorded in the statement of activities

	1,227,514
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Revenues in the statement of activities that do not provide current financial  
resources are not reported as revenues in the funds.

Real property taxes	1,186,563
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Repayment of long-term debt principal is an expenditure in the governmental  
funds but the repayment reduces long-term liabilities in the statement of net  
position. Also, governmental funds report the effect of issuance cost, premiums,  
discounts, and similar items when debt is issued, whereas these amounts  
are deferred and amortized on the statement of activities

Principal paid on bonds	1,109,000
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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.

Accrued interest	6,461
Compensated absences	(280,375)
Other post employment benefit obligations	<u>(2,384,921)</u>

Change in net position of governmental activities \$ (6,100,420)

The accompanying notes are an integral part of these statements.

**TOWN OF NORTH CASTLE, NEW YORK**

**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
DECEMBER 31, 2015**

	<u>Agency</u>	<u>Private Purpose Trusts</u>
<b>ASSETS</b>		
Cash	\$ 1,615,654	\$ -
Accounts receivable	<u>13,088</u>	<u>50,842</u>
Total assets	<u>\$ 1,628,742</u>	<u>\$ 50,842</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 36,143	\$ 50,842
Deposits and escrows	495,751	-
Escrows	<u>1,096,848</u>	<u>-</u>
Total liabilities	<u>\$ 1,628,742</u>	<u>\$ 50,842</u>
<b>NET POSITION</b>		
Restricted for trusts		<u>-</u>
Total net position		<u>\$ -</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Private Purpose Trusts</u>
<b>ADDITIONS:</b>	
Investment earnings	\$ <u>-</u>
Total additions	<u>-</u>
<b>DEDUCTIONS:</b>	
Culture and recreation	<u>-</u>
Total deductions	<u>-</u>
Change in net position	-
NET POSITION - beginning of year, as previously presented	<u>(36,968)</u>
Reclassification adjustment (Note 6)	<u>36,968</u>
NET POSITION, as restated	<u>-</u>
NET POSITION - end of year	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

# TOWN OF NORTH CASTLE, NEW YORK

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2015

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of North Castle, New York ("Town") was established in 1788 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as chief executive and chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

#### A. Financial Reporting Entity

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal burden and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

#### B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### B. Government-Wide Financial Statements (Continued)

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

### C. Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Town's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds.
  - General Fund - The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.
  - Special Revenue Funds - Special revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:
    - Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The majority of revenue resources consist of property taxes, intergovernmental charges, state aid and transfers from the general fund.
    - Public Library Fund - The Public Library Fund is used to account for the activities of the Town's Public Library. The majority of revenue resources consist of property taxes.
    - Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, sewer, street lighting, fire protection, parking and ambulance districts. The majority of revenue resources consist of property taxes, departmental income and rental income.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### C. Fund Financial Statements (Continued)

#### a. Governmental Funds (Continued)

- Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.
- Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

#### b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Town has two types of fiduciary funds:

- Private Purpose Trust Funds - These funds are used to account for assets held by the Town in accordance with terms of a trust agreement. Established criteria govern the use of the funds.
- Agency funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the Town as agent for various deposits that are payable to other jurisdictions or individuals.

### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The 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 (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

The government-wide financial statements are reported using the economic *resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus and utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider has been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Net Position or Fund Balances

However, debt service expenditures, as well as expenditures related to compensated absences and other post-employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

#### Deposits, Investments and Risk Disclosure

- Cash and Cash Equivalents - Cash and cash equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Town's deposit and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions and accordingly, the Town's policy provides for no credit risk on investments.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2015.

- Restricted Investments - Restricted investments of the Capital Projects Fund consist of bond proceeds held by a State agency. These funds are to be used for the Town's Sewer Nitrogen Removal capital project.
- Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special districts taxes which are due April 1st and payable without penalty to April 30th. School districts taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Net Position or Fund Balances (Continued)

#### Deposits, Investments and Risk Disclosure (Continued)

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and the balance of forty percent on October 15th. With respect to school district taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

- Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.
- Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2015, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.
- Inventory - 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 and year-end balances at these locations are not material.
- Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent years budget and will benefit such periods. Reported amounts in the fund financial statements are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Net Position or Fund Balances (Continued)

#### Deposits, Investments and Risk Disclosure (Continued)

- Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 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.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the Town are depreciated using the straight line method over the following estimated useful lives.

	<u>Life in Years</u>
Land improvements	20
Buildings and improvements	20-50
Infrastructure	30-50
Machinery and equipment	5-20

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

- Unearned/Deferred Revenues - Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenues consist of revenue received in advance and/or revenue from grants received before the eligibility requirements have been met.

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$3,103,402 for real property taxes in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Assets, Liabilities and Net Position or Fund Balances (Continued)

#### Deposits, Investments and Risk Disclosure (Continued)

- Long-Term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects or Debt Service funds expenditures.

- Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Assets as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.
- Net Position - Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position include, net investment in capital assets, restricted for capital projects, workers' compensation benefits, special districts and debt service. The balance is classified as unrestricted.
- Fund Balances - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law.

Committed fund balance will be reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the entity's governing board.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **E. Assets, Liabilities and Net Position or Fund Balances (Continued)**

#### **Deposits, Investments and Risk Disclosure (Continued)**

- **Fund Balances (Continued)**

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned and unassigned.

### **F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Highway, Public Library and Special Districts fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities

### **G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### **H. Reclassifications**

Certain reclassifications have been made to the 2014 statements to conform to the current year presentation.

### **I. Deferred Outflows and Inflows**

In addition to assets and liabilities, the Statement of Net Position will sometimes report a separate section for deferred outflows and inflows of resources. These separate financial statement elements, deferred outflows and inflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of inflow of resources (expenses/expenditure/revenues) until then.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### J. Order of Fund Balance Spending Policy

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.

## 2. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

### A. Budgetary Data

The Town generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications, as approved by the Town Board, shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Highway, Public Library, Special Districts and Debt Service funds.
- i) Budgets for General, Highway, Public Library, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Town Board. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in General, Highway, Public Library, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

## 2. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY (Continued)

### B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised (See Note 5).

### C. Application of Accounting Standards

The Town adopted the following accounting standards in 2015:

GASB Statements No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*, and No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The objective of Statement No. 67 is to improve financial reporting by state and local governmental pension plans. Statement No. 67 replaces the requirements of Statements No. 25 and No. 50 as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68, as well as for non-employer governments that have a legal obligation to contribute to those plans

GASB issued Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Transition Date – an amendment of GASB Statement No. 68* that addresses an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

## 3. DETAILED NOTES ON ALL FUNDS

### A. Cash and Cash Equivalents and Investments

As of December 31, 2015, all of the Town's cash and cash equivalents and investment balances were either insured or collateralized with securities held by the pledging financial institution's trust department in the Town's name:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash and cash equivalents, including trust and agency funds	\$ 25,636,711	\$ 25,581,262
Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	\$ 24,419,760	
Covered by FDIC insurance	<u>1,000,000</u>	
Total	<u>\$ 25,419,760</u>	

The Town's cash and cash equivalents were under-collateralized by \$216,951 at December 31, 2015.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### B. Restricted Investments

The Town received long-term financing from the Environmental Facilities Corporation for the sewer treatment plant upgrades. At December 31, 2015, there was \$113,390 of unspent proceeds in the name of the Town being held as a restricted investment to be allocated to the 2015 principal debt payment.

#### C. Taxes Receivable

Taxes receivable at December 31, 2015 consisted of the following:

	Town and County Taxes	School District Taxes	Total
Current year	\$ 317,381	\$ 26,612,660	\$ 26,930,041
Overdue	261,675	844,100	1,105,775
	<u>\$ 579,056</u>	<u>\$ 27,456,760</u>	28,035,816
Allowance for uncollectible taxes			<u>(446,584)</u>
			<u>\$ 27,589,232</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2016. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$3,103,402, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

#### D. Capital Assets

Changes in the Town's capital assets are as follows:

	December 31, 2014 Balance	Adjustments	Additions	Disposals	December 31, 2015 Balance
Governmental activities:					
Capital assets that are not depreciated:					
Land	\$ 3,536,047	\$ -	\$ 20,694	\$ -	\$ 3,556,741
Construction in progress	4,020,789	3,243,118	-	-	7,263,907
Total non-depreciable cost	<u>7,556,836</u>	<u>3,243,118</u>	<u>20,694</u>	<u>-</u>	<u>10,820,648</u>
Capital assets that are depreciated:					
Land improvements	3,979,604	-	285,561	-	4,265,165
Buildings and improvements	17,519,161	-	-	-	17,519,161
Machinery and equipment	9,831,698	650,977	339,063	(387,259)	10,434,479
Infrastructure	31,771,597	243,204	-	-	32,014,801
Total depreciable historical cost	<u>63,102,060</u>	<u>894,181</u>	<u>624,624</u>	<u>(387,259)</u>	<u>64,233,606</u>
Less accumulated depreciation:					
Land improvements	1,512,350	-	-	-	1,512,350
Buildings and improvements	6,314,704	-	902,037	-	7,216,741
Machinery and equipment	5,578,414	384,204	1,104,236	-	7,066,854
Infrastructure	20,595,437	(352,547)	1,086,934	-	21,329,824
Total accumulated depreciation	<u>34,000,905</u>	<u>31,657</u>	<u>3,093,207</u>	<u>-</u>	<u>37,125,769</u>
Total cost, net	<u>\$ 36,657,991</u>	<u>\$ 4,105,642</u>	<u>\$ (2,447,889)</u>	<u>\$ (387,259)</u>	<u>\$ 37,928,485</u>

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

Depreciation expense was charged to the Town's functions and programs as follows:

General governmental support	\$ 218,619
Public safety	197,498
Transportation	550,885
Economic assistance and opportunity	8,834
Culture and recreation	663,242
Home and community services	<u>1,454,129</u>
 Total depreciation expense	 <u>\$ 3,093,207</u>

**E. Pension Plans**

Plan Description

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") ("Systems"). These Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy

The Systems are non-contributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3% of their salary for the first ten years of service. For employees who joined after April 1, 2012, employees in NYSERS contribute 3% of their salary until April 1, 2013 and then contribute 3% to 6% of their salary throughout their active membership.

Contributions made to the Systems for the current and two preceding years were as follows:

	<u>ERS</u>	<u>PFRS</u>
2015	\$ 1,349,324	\$ 1,319,633
2014	\$ 1,177,992	\$ 1,016,189
2013	\$ 1,298,690	\$ 1,083,238

The ERS and PFRS contributions were equal to 100% of the actuarially required contribution for each respective fiscal year

The current ERS contribution for the Town was charged to various departments within the funds identified below.

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Pension Plans (Continued)**

New York State Employee Retirement System

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

At December 31, 2015, the Town reported a liability of \$764,701 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2015, the Town's proportion was 0.0226361 percent, which was an increase of 0% from its proportion measured December 31, 2014.

For the year ended December 31, 2015, the Town recognized pension expense of \$706,151 related to the NYS Retirement System. At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,479	\$ -
Changes of Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	132,819	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	56,354	-
Contributions subsequent to the measurement date	1,039,426	-
Total	<u>\$ 1,253,078</u>	<u>\$ -</u>

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

Plan's Year Ending March 31,	2016	\$ 53,413
	2017	53,413
	2018	53,413
	2019	53,413
	2020	-
	Thereafter	-
		<u>\$ 213,652</u>

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### E. Pension Plans (Continued)

##### New York State Employee Retirement System (Continued)

###### Actuarial Assumptions

The total pension liability at March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The total pension liability for the March 31, 2014 measurement date was determined by using an actuarial valuation as of April 1, 2014. The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.9 percent indexed by service
Projected COLAs	1.4% compounded annually
Decrement	Developed from the Plan's 2010 experience study of the period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.5% compounded annually, net of investment expenses

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 as of March 31, 2015 and 2014 are summarized below:

<u>Asset Type</u>	<u>Long Term Expected Real Rate</u>	
	<u>2015</u>	<u>2014</u>
Domestic Equity	7.3%	7.3%
International Equity	8.6%	8.6%
Private Equity	11.0%	11.0%
Real Estate	8.3%	8.3%
Absolute Return	6.8%	6.8%
Opportunistic Portfolio	8.6%	8.6%
Real Asset	8.7%	8.7%
Bonds, Cash & Mortgages	4.0%	4.0%
Cash	2.3%	2.3%
Inflation Indexed Bonds	4.0%	4.0%

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### E. Pension Plans (Continued)

##### New York State Employee Retirement System (Continued)

###### Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

###### Assumption

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.5%) or 1 percent higher (8.5%) than the current rate:

	1 % Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Proportionate Share of Net Pension liability	\$ 5,097,065	\$ 764,701	\$ (2,892,888)

###### Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2015, were as follows:

	Pension Plan's Fiduciary Net Position	Town's proportionate share of Plan's Fiduciary Net Position	Town's allocation percentage as determined by the Plan
Total pension liability	\$ 164,591,504,000	\$ 37,257,097	0.0226361%
Net position	(161,213,259,000)	(36,492,397)	0.0226361%
Net pension liability (asset)	<u>\$ 3,378,245,000</u>	<u>\$ 764,701</u>	0.0226361%
Fiduciary net position as a percentage of total pension liability	97.9%	97.9%	

##### New York State and Local Police and Fire Retirement System

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

At December 31, 2015, the Town reported a liability of \$317,295 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### E. Pension Plans (Continued)

##### New York State Employee Retirement System (Continued)

###### Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

###### Assumption

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.5%) or 1 percent higher (8.5%) than the current rate:

	1 % Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Proportionate Share of Net Pension liability	\$ 5,097,065	\$ 764,701	\$ (2,892,888)

###### Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2015, were as follows:

	Pension Plan's Fiduciary Net Position	Town's proportionate share of Plan's Fiduciary Net Position	Town's allocation percentage as determined by the Plan
Total pension liability	\$ 164,591,504,000	\$ 37,257,097	0.0226361%
Net position	(161,213,259,000)	(36,492,397)	0.0226361%
Net pension liability (asset)	\$ 3,378,245,000	\$ 764,701	0.0226361%
Fiduciary net position as a percentage of total pension liability	97.9%	97.9%	

##### New York State and Local Police and Fire Retirement System

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

At December 31, 2015, the Town reported a liability of \$317,295 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Pension Plans (Continued)**

New York State and Local Police and Fire Retirement System (Continued)

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

At December 31, 2015, the Town's proportion was 0.1152712 percent, which was an increase of 0% from its proportion measured December 31, 2014.

For the year ended December 31, 2015, the Town recognized pension expense of \$731,265 related to the NYS Retirement System. At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 38,264	\$ -
Changes of Assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	106,526	-
Changes in proportion and differences between the Town contributions and proportionate share of contributions	-	22,457
Contributions subsequent to the measurement date	1,042,301	-
Total	<u>\$ 1,187,091</u>	<u>\$ 22,457</u>

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

Plan's Year Ending March 31,	2016	\$ 29,793
	2017	29,793
	2018	29,793
	2019	29,793
	2020	3,161
	Thereafter	-
		<u>\$ 122,333</u>

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### E. Pension Plans (Continued)

##### New York State and Local Police and Fire Retirement System (Continued)

###### Actuarial Assumptions

The total pension liability at March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The total pension liability for the March 31, 2014 measurement date was determined by using an actuarial valuation as of April 1, 2014. The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	6.0 percent indexed by service
Projected COLAs	1.4% compounded annually
Decrements	Developed from the Plan's 2010 experience study of the period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.5% compounded annually, net of investment expenses

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 as of March 31, 2015 and 2014 are summarized below:

<u>Asset Type</u>	<u>Long Term Expected Real Rate</u>	
	<u>2015</u>	<u>2014</u>
Domestic Equity	7.3%	7.3%
International Equity	8.6%	8.6%
Private Equity	11.0%	11.0%
Real Estate	8.3%	8.3%
Absolute Return	6.8%	6.8%
Opportunistic Portfolio	8.6%	8.6%
Real Asset	8.7%	8.7%
Bonds, Cash & Mortgages	4.0%	4.0%
Cash	2.3%	2.3%
Inflation Indexed Bonds	4.0%	4.0%

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### E. Pension Plans (Continued)

##### New York State and Local Police and Fire Retirement System (Continued)

###### Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.5%) or 1 percent higher (8.5%) than the current rate:

	<u>1 % Decrease (6.5%)</u>	<u>Current Assumption (7.5%)</u>	<u>1% Increase (8.5%)</u>
Proportionate Share of Net Pension liability	\$ 4,224,616	\$ 317,295	\$ (2,957,276)

###### Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2015, were as follows:

	<u>Pension Plan's Fiduciary Net Position</u>	<u>Town's proportionate share of Plan's Fiduciary Net Position</u>	<u>Town's allocation percentage as determined by the Plan</u>
Total pension liability	\$ 28,474,417	\$ 32,822,801	0.1152712%
Net position	(28,199,157)	(32,505,507)	0.1152712%
Net pension liability (asset)	<u>\$ 275,260</u>	<u>\$ 317,295</u>	0.1152712%
Fiduciary net position as a percentage of total pension liability	99.0%	99.0%	

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### F. Short-Term Non-Capital Borrowings

The schedule below details the changes in short-term non-capital borrowings.

	Year of original issue	Maturity Date	Rate of interest	Beginning Balance	Issued	Redeemed	Ending Balance
Highway settlement	2011	2015	0.89%	138,000	-	138,000	-
				<u>\$ 138,000</u>	<u>\$ -</u>	<u>\$ 138,000</u>	<u>\$ -</u>

The bond anticipation note was issued to finance the cost of a legal settlement in the Highway Fund.

#### G. Short-Term Capital Borrowings

The schedule below details the changes in short-term capital borrowings.

##### Capital related BANS

	Year of original issue	Maturity Date	Rate of interest	Beginning Balance	Issued	Redeemed	Ending Balance
Bond anticipation notes payable:							
Water District #1 Improvements	2011	2016	0.92%	\$ 160,000	\$ -	\$ 80,000	\$ 80,000
Water District #2 improvements	2011	2016	0.92%	160,000	-	80,000	80,000
Open space	2015	2016	0.92%	-	500,000	-	500,000
Copier	2014	2017	0.92%	55,000	-	20,000	35,000
				<u>\$ 375,000</u>	<u>\$ 500,000</u>	<u>\$ 180,000</u>	<u>\$ 695,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### H. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2015:

	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Government activities:					
Bonds and notes payable:					
General obligation debt:					
Capital construction	\$ 24,095,000	\$ -	\$ 1,109,000	\$ 22,986,000	\$ 1,129,000
Other liabilities:					
Other postemployment benefits	14,992,780	2,384,921	-	17,377,701	-
Net pension liability	1,502,777		(420,781)	1,081,996	-
Compensated absences	1,346,945	280,375	-	1,627,320 (A)	-
Total other liabilities	<u>17,842,502</u>	<u>2,665,296</u>	<u>(420,781)</u>	<u>20,087,017</u>	<u>-</u>
Total long-term liabilities	<u>\$ 41,937,502</u>	<u>\$ 2,665,296</u>	<u>\$ 688,219</u>	<u>\$ 43,073,017</u>	<u>\$ 1,129,000</u>

(A) Additions and deletions to compensated absences are shown net because it is impracticable to determine these amounts separately.

The liability for compensated absences and other post-employment benefit obligations are liquidated primarily by the general, highway, public library and special districts funds. The Town's indebtedness for bonds is satisfied by the general, highway and special districts funds.

#### Bonds Payable

Bonds payable at December 31, 2015 are comprised of the following individual issues:

Bond Issue	Balance	Issued	Maturity	Interest Rate	Balance
Firehouse acquisition	\$ 1,100,000	2004	2024	3.975%	\$ 550,000
Firehouse acquisition	1,100,000	2006	2026	3.973%	655,000
Public improvements	2,380,000	2007	2022	3.625%	1,310,000
Sewer No. 2 treatment plant upgrade	4,223,583	2007	2037	3.630%	3,345,000
Sewer nitrogen removal - Environmental Facilities Corporation	5,245,000	2009	2033	4.270%	4,021,000
Refunding bonds	1,740,000	2010	2021	2.000%	865,000
Public improvements	645,000	2010	2026	1.250%	470,000
Public improvements	2,500,000	2011	2026	1.50% - 2.65%	2,025,000
Public improvements	9,950,000	2014	2044	1.50%-5.0%	<u>9,745,000</u>
					<u>\$ 22,986,000</u>

Cash paid for interest of \$432,292 was recorded in the fund financial statements for long term debt. Interest expense of \$722,766 was recorded in the government-wide financial statements for governmental activities.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### H. Long-Term Liabilities (Continued)

##### Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2015 are as follows:

Fiscal Year Ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	1,129,000	726,015	1,855,015
2017	1,149,000	677,554	1,826,554
2018	1,189,000	640,326	1,829,326
2019	1,204,000	601,297	1,805,297
2020-2024	5,635,000	2,382,805	8,017,805
2025-2029	3,913,000	1,600,713	5,513,713
2030-2034	3,692,000	1,060,144	4,752,144
2035-2039	2,605,000	559,469	3,164,469
2040-2044	<u>2,470,000</u>	<u>167,026</u>	<u>2,637,026</u>
Totals	<u>\$ 22,986,000</u>	<u>\$ 8,415,349</u>	<u>\$ 31,401,349</u>

The above general obligation bonds are direct obligations of the Town, for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Town.

##### Compensated Absences

In accordance with the Town's collective bargaining agreements, all employees may accumulate sick leave based upon length of service. Upon retirement, employees are compensated for accumulated sick leave pursuant to contract provisions. Vacation time earned during the year is generally taken in the year earned, however, with permission; certain employees may carryover vacation leave to the following year. Police employees may accumulate compensatory time up to a maximum of 96 hours. The value of compensated absences has been reflected in the government-wide financial statements.

##### Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing post-employment health care benefits is shared between the Town and the retired employee. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statements. The Town has recognized revenues and expenditures of approximately \$25,000 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### H. Long-Term Liabilities (Continued)

##### **Other Post Employment Benefit Obligations Payable (Continued)**

The Town's annual other post-employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. 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 over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the Plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in postretirement benefits are as follows:

##### **Assumed rates of increase in OPEB**

Year Ended	Medical Rates		Dental and Vision
	Non Medicare	Medicare	
2016	7.00%	5.00%	5.00%
2017	6.00%	5.00%	5.00%
2018	5.00%	5.00%	5.00%
2019+	5.00%	5.00%	5.00%

The amortization basis is the level percentage of projected payroll method with an open amortization approach with 24 years remaining in the amortization period. The actuarial assumptions included a 4.0% investment rate of return and a 2.5% annual payroll growth rate. The Town currently has no assets set aside for the purpose of paying post-employment benefits. The actuarial cost method utilized was the entry age normal cost method.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### H. Long-Term Liabilities (Continued)

##### Other Post Employment Benefit Obligations Payable (Continued)

The estimated number of participants as of December 31, 2015 was as follows:

##### Participants

Active employees	103
Retired employees	<u>103</u>
	<u>\$ 206</u>

Annual required contribution	\$4,010,306
Interest on net OPEB obligation	599,712
Adjustment to ARC	<u>(753,609)</u>
Annual OPEB cost (expense)	\$3,856,407
Contributions made	<u>(1,471,488)</u>
Increase in net OPEB obligation	2,384,919
Net OPEB obligation - beginning of year	<u>14,992,782</u>
Net OPEB obligation - end of year	<u>\$ 17,377,701</u>
Percentage of annual OPEB cost contributed	38%

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

<u>Year Ended</u>	<u>OPEB Cost</u>	<u>Contribution (ARC)</u>	<u>OPEB Cost Contributed</u>	<u>% of ARC Contributed</u>	<u>OPEB Obligation</u>
12/31/15	\$ 3,856,407	\$ 3,856,407	\$ 1,471,488	38%	\$ 17,377,701
12/31/14	\$ 3,328,099	\$ 3,328,099	\$ 1,121,956	34%	\$ 14,992,782
12/31/13	\$ 3,158,811	\$ 3,158,811	\$ 1,217,462	39%	\$ 10,452,187

The schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

##### **Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return.

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### I. Revenues and Expenditures

##### Interfund Transfers (Continued)

The interfund transfers reflected below have been reflected as transfers:

General fund	\$ -	\$ 1,550,455
Highway fund	1,258,000	34,729
Special districts fund	34,729	468,132
Capital fund	<u>760,587</u>	<u>-</u>
Total government activities	<u>\$ 2,053,316</u>	<u>\$ 2,053,316</u>

Transfers are used to 1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due and 2) to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

#### J. Net Position

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Capital Projects* - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

*Restricted for Workers' Compensation Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-j of the General Municipal Law of the State of New York.

*Restricted for Special Districts* - the component of net position that represents funds restricted for water, sewer, street lighting, fire protection, parking and ambulance purposes under New York State Law or by external parties and/or statutes.

*Restricted for Debt Service* - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

*Unrestricted* - all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### K. Fund Balances

The components of fund balance are detailed below:

Certain elements of restricted fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for employee retirement and other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Open Space represents funds which the Town will use to acquire and/or develop recreational facilities and open space. The amount is classified as committed to indicate that Town Board approval is needed in order to spend these funds.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority and complete the transactions.

Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. At December 31, 2015, the Town Board has assigned the amounts below to be appropriated from the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned.

	General Fund	Highway Fund	Public Library Fund	Special Districts Fund	Capital Projects Fund	Debt Service Fund	Total
Nonspendable							
Prepaid expenditures	\$ 587,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 587,230
Restricted							
Capital Projects	-	-	-	-	30,508	-	30,508
Workers Compensation	1,692	-	-	-	-	-	1,692
Debt Service	-	-	-	4,595,651	-	3,651	4,599,302
	<u>1,692</u>	<u>-</u>	<u>-</u>	<u>4,595,651</u>	<u>30,508</u>	<u>3,651</u>	<u>4,631,502</u>
Assigned							
General	9,700	-	-	-	-	-	9,700
Highway	-	2,052,640	-	-	-	-	2,052,640
Public library	-	-	212,783	-	-	-	212,783
	<u>-</u>	<u>2,052,640</u>	<u>212,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,265,423</u>
Unassigned							
	<u>5,294,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,294,618</u>
Total fund balances	<u>\$ 5,893,240</u>	<u>\$ 2,052,640</u>	<u>\$ 212,783</u>	<u>\$ 4,595,651</u>	<u>\$ 30,508</u>	<u>\$ 3,651</u>	<u>\$ 12,788,473</u>

#### **4. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

##### **A. Litigation**

The Town is a defendant in various actions, all of which are within the limits of the Town's insurance coverage. Counsel for the insurance carrier is defending these claims. Consequently, an unfavorable decision in any of the actions will not have an adverse effect on the Town's financial condition.

The Town is also defendant in numerous tax certiorari proceedings, the results of which generally require tax refunds on the part of the Town. However, the amount of possible refunds cannot be determined at the present time. Any refunds resulting from adverse settlements will be funded in the year in which the payments are made.

##### **B. Risk Management**

The Town maintains various conventional liability insurance policies to protect against potential losses. The general liability policy provides coverage of \$3 million. The Town's public officials and law enforcement liability policies provide coverage of \$1 million each. In addition, the umbrella policy provides coverage up to \$10 million. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

In addition, the Town purchases conventional insurance for workers' compensation benefits and purchases conventional health insurance from various providers.

##### **C. Contingencies**

The Town participates in various Federal grant programs. Accordingly, the Town's compliance with applicable grant requirements may be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

#### **5. OTHER MATTERS**

On June 24, 2011, the NYS Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one.

The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places.

## 5. OTHER MATTERS (Continued)

The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

## 6. RECLASSIFICATION ADJUSTMENT

The following reclassification adjustment was made to the Town's beginning net position for the Fiduciary Funds Private Purpose Trust:

Net position, originally reported	\$ (36,968)
Adjustment	36,968
Net position, as restated	\$ -0-

In the previous period certain Trust and Agency funds were combined with the Private Purpose Trust funds. Upon reconciliation, these funds were segregated appropriately for net position, as restated.

## 7. CHANGE IN ACCOUNTING PRINCIPLES

The Town adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68, as well as for non-employer governments that have a legal obligation to contribute to those plans. Accordingly, beginning Net Position, Deferred Outflows of Resources and Net Pension Liability (Asset) of the Governmental Activities were adjusted as noted in the following table:

	Net Pension Liability	Deferred Outflows of Resources	Net Position
Balance at December 31, 2014, as previously reported	\$ -	\$ -	18,972,801
Restatement of beginning balance - Adoption of GASB Statement No. 68			
NYS Employee Retirement System Plan	1,022,892	883,494	(139,398)
NYS Police and Fire Retirement System Plan	479,883	759,142	279,259
	<u>1,502,775</u>	<u>1,642,636</u>	<u>139,861</u>
Balance at December 31, 2014, as restated	<u>\$ 1,502,775</u>	<u>\$ 1,642,636</u>	<u>\$ 19,112,662</u>

## 8. FUTURE CHANGES IN ACCOUNTING STANDARDS

In June 2015, the GASB issued Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement No. 75 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. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The Town is required to adopt the provisions of these Statements for the year ending December 31, 2016, with early adoption encouraged.

GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* which supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, paragraphs 64, 74, and 82. Statement No. 76 reduces the number of categories of authoritative generally accepted accounting principles (GAAP) hierarchy and the framework for selecting those principles to two categories. The primary category "Category A" will consist of officially established GASB Statements and GASB Interpretations heretofore issued and currently in effect. The second category "Category B" will consist of GASB Technical Bulletins, GASB Implementation Guides when presented in the form of a *Comprehensive Implementation Guide*, and literature of the AICPA cleared by the GASB. The goal of Statement No. 76 is to help governments apply financial reporting guidance with less variability, therefore improving usefulness and comparability of financial statement information among state and local governments. The Town is required to adopt the provisions of Statement No. 76 for the year ending December 31, 2016, and should be adopted retroactively, with early adoption permitted.

In August 2015, the GASB issued Statement No. 77 *Tax Abatement Disclosures*. This Statement establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government's tax revenues. The provisions of this Statement should be applied to all state and local governments subject to such tax abatement agreements. The Town is required to adopt the provisions of these Statements for the year ending December 31, 2018, with early adoption encouraged.

In March 2016, GASB issued Statement No. 82, *Pension Issues-An Amendment of GASB Statements No. 67, Financial Reporting for pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73 Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GAS 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The Statement addresses issues related to the presentation of payroll related measures in required supplementary information, selection of assumptions and the treatment of deviations and classification of payments made by employers to meet employee contribution requirements. The Statement takes effect for reporting periods beginning after June 15, 2016 except for the selection of assumptions in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end in which the effective date is on or after June 15, 2017. Earlier adoption is encouraged.

The Town has not assessed the impact of these statements on its future financial statements.

## 9. SUBSEQUENT EVENTS

In 2016 the Town Council approved:

- A. Award of construction for the water District #1 ultraviolet disinfection project;
- B. Funding of Hergenhan parking;
- C. Funding of improvements at the Wampus Brook Park South;
- D. Funding of engineering services and preparation of final design drawings and bid documents for the Old Route 22 Streetscape project;
- E. Authorization of and Anita Louise Ehrman (ALE) licensing agreement to extend the license and operating agreement with the ALE Recreation Center for operation of the pool for a term to expire October 31, 2016;
- F. Establishment of the Long Pond Park District;
- G. Purchase of small parcel contiguous to the Well Field area; and
- H. Consideration of the declaration of emergency for the Duck Pond Dam.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF NORTH CASTLE, NEW YORK**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Real property taxes	\$ 11,670,484	\$ 11,670,484	\$ 10,375,180	\$ (1,295,304)
Other tax items	1,398,898	1,398,898	1,613,511	214,613
Nonproperty tax items	1,790,000	1,790,000	2,011,724	221,724
Departmental income	1,450,767	1,607,667	1,703,731	96,064
Use of money and property	82,500	82,500	102,406	19,906
Licenses and permits	494,000	494,000	781,959	287,959
Fines and forfeitures	135,000	139,244	125,364	(13,880)
Sale of property and compensation for loss	28,000	28,000	47,918	19,918
State aid	752,000	754,700	808,541	53,841
Federal aid	-	-	2,405	2,405
Miscellaneous	-	-	73,815	73,815
	<u>17,801,649</u>	<u>17,965,493</u>	<u>17,646,554</u>	<u>(318,939)</u>
<b>EXPENDITURES:</b>				
General governmental support	4,418,264	4,116,271	4,005,705	110,566
Public safety	8,346,256	9,993,690	9,844,725	148,965
Health	8,453	8,742	7,664	1,078
Transportation	346,483	355,420	345,543	9,877
Economic opportunity and development	234,992	281,565	276,934	4,631
Culture and recreation	2,765,887	3,109,486	3,004,775	104,711
Home and community services	1,326,746	1,333,416	1,236,655	96,761
Employee Benefits	-	-	-	-
Debt service - principal	286,020	286,020	127,020	159,000
Debt service - interest	68,548	63,548	63,541	7
	<u>17,801,649</u>	<u>19,548,158</u>	<u>18,912,562</u>	<u>635,596</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>(1,582,665)</u>	<u>(1,266,008)</u>	<u>316,657</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	(1,392,455)	(1,550,455)	(158,000)
	<u>-</u>	<u>(1,392,455)</u>	<u>(1,550,455)</u>	<u>(158,000)</u>
<b>CHANGE IN FUND BALANCE</b>	-	(2,975,120)	(2,816,463)	158,657
<b>FUND BALANCE - beginning of year</b>	<u>8,709,703</u>	<u>8,709,703</u>	<u>8,709,703</u>	<u>-</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 8,709,703</u>	<u>\$ 5,734,583</u>	<u>\$ 5,893,240</u>	<u>\$ 158,657</u>

**TOWN OF NORTH CASTLE, NEW YORK**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - HIGHWAY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Highway Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Real property taxes	\$ 5,629,811	\$ 5,629,811	\$ 5,629,811	\$ -
Intergovernmental charges	100,000	100,000	435,659	335,659
Sale of property and compensation for loss	31,000	31,000	163,137	132,137
Interfund revenue	-	-	2,639	2,639
State aid	200,000	200,000	209,160	9,160
Federal aid	-	-	62,876	62,876
Miscellaneous	-	-	470	470
<b>Total revenues</b>	<u>5,960,811</u>	<u>5,960,811</u>	<u>6,503,752</u>	<u>542,941</u>
<b>EXPENDITURES:</b>				
General governmental support	6,500	7,441	20,416	(12,975)
Transportation	5,742,704	7,019,454	6,661,397	358,057
Debt service - principal	165,000	165,000	165,000	-
Debt service - interest	46,607	46,607	46,606	1
<b>Total expenditures</b>	<u>5,960,811</u>	<u>7,238,502</u>	<u>6,893,419</u>	<u>345,083</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>(1,277,691)</u>	<u>(389,667)</u>	<u>888,024</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	1,258,000	1,258,000	-
Transfers out	-	-	-	-
<b>Total other financing sources and uses</b>	<u>-</u>	<u>1,258,000</u>	<u>1,258,000</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>(19,691)</u>	<u>868,333</u>	<u>888,024</u>
<b>FUND BALANCE - beginning of year</b>	<u>1,184,307</u>	<u>1,184,307</u>	<u>1,184,307</u>	<u>-</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 1,184,307</u>	<u>\$ 1,164,616</u>	<u>\$ 2,052,640</u>	<u>\$ 888,024</u>

**TOWN OF NORTH CASTLE, NEW YORK**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - PUBLIC LIBRARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Public Library Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Real property taxes	\$ 1,618,948	\$ 1,618,948	\$ 1,618,948	\$ -
Departmental income	18,000	18,000	13,398	(4,602)
Use of money and property	17,000	17,000	9,836	(7,164)
Sale of property and compensation for loss	1,400	1,400	1,199	(201)
State aid	8,000	8,000	45,387	37,387
Miscellaneous	5,300	30,700	43,768	13,068
<b>Total revenues</b>	<u>1,668,648</u>	<u>1,694,048</u>	<u>1,732,536</u>	<u>38,488</u>
<b>EXPENDITURES:</b>				
Culture and recreation	<u>1,668,648</u>	<u>1,834,046</u>	<u>1,825,983</u>	<u>8,063</u>
<b>Total expenditures</b>	<u>1,668,648</u>	<u>1,834,046</u>	<u>1,825,983</u>	<u>(8,063)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>(139,998)</u>	<u>(93,447)</u>	<u>46,551</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>(139,998)</u>	<u>(93,447)</u>	<u>46,551</u>
<b>FUND BALANCE - beginning of year</b>	<u>306,230</u>	<u>306,230</u>	<u>306,230</u>	<u>-</u>
<b>FUND BALANCE - end of year</b>	<u>\$ 306,230</u>	<u>\$ 166,232</u>	<u>\$ 212,783</u>	<u>\$ 46,551</u>

**TOWN OF NORTH CASTLE, NEW YORK**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - SPECIAL DISTRICT FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES:</b>				
Real property taxes	\$ 3,137,523	\$ 2,977,523	\$ 2,967,490	\$ (10,033)
Departmental income	1,261,229	1,338,161	1,489,643	151,482
Use of money and property	356,732	280,390	225,735	(54,655)
Sale of property and compensation for loss	600		23,330	23,330
Miscellaneous	-	-	1,751	1,751
<b>Total revenues</b>	<b>4,756,084</b>	<b>4,596,074</b>	<b>4,707,949</b>	<b>111,875</b>
<b>EXPENDITURES:</b>				
General governmental support	8,736	40,897	41,818	921
Public safety	496,695	496,695	496,695	-
Health	404,931	404,961	265,953	(139,008)
Transportation	138,919	136,500	121,072	(15,428)
Home and community services	2,610,914	2,603,557	2,098,179	(505,378)
Debt service - principal	985,106	985,106	822,980	162,126
Debt service - interest	632,092	632,092	616,080	16,012
<b>Total expenditures</b>	<b>5,277,393</b>	<b>5,299,808</b>	<b>4,462,777</b>	<b>837,031</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(521,309)</b>	<b>(703,734)</b>	<b>245,172</b>	<b>948,906</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Insurance recoveries	-	-	125	125
Transfers in	-	-	34,729	34,729
Transfers out	-	(877,133)	(468,132)	409,001
<b>Total other financing sources and uses</b>	<b>-</b>	<b>(877,133)</b>	<b>(433,278)</b>	<b>409,001</b>
<b>Appropriated Fund Balance</b>	<b>486,406</b>	<b>486,406</b>	<b>-</b>	<b>486,406</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(34,903)</b>	<b>(1,094,461)</b>	<b>(188,106)</b>	<b>906,355</b>
<b>FUND BALANCE - beginning of year</b>	<b>3,320,498</b>	<b>3,320,498</b>	<b>4,783,757</b>	<b>(1,463,259)</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 3,285,595</b>	<b>\$ 2,226,037</b>	<b>\$ 4,595,651</b>	<b>\$ 2,369,614</b>

**TOWN OF NORTH CASTLE, NEW YORK**

**OTHER POST EMPLOYMENT BENEFITS  
SCHEDULE OF FUNDING PROGRESS  
DECEMBER 31, 2015**

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<u>Valuation Date</u>	<u>Value of Assets</u>	<u>Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Liability as a Percentage of Covered Payroll</u>
January 1, 2010	\$ -	\$ 37,289,643	\$ 37,289,643	0.00%	\$ 8,658,980	430.65%
January 1, 2012	\$ -	\$ 42,913,205	\$ 42,913,205	0.00%	\$ 9,227,462	465.06%
January 1, 2014	\$ -	\$ 48,373,886	\$ 48,373,886	0.00%	\$ 11,197,502	432.01%

**TOWN OF NORTH CASTLE**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Last 10 Fiscal Years					
	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN</b>						
Proportion of the net pension liability (asset)	0.022636%					
Proportionate share of the net pension liability (asset)	\$764,701					
Covered-employee payroll	\$6,870,015					
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.111309946					
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.9%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)					
	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN</b>						
Proportion of the net pension liability (asset)	0.115271%					
Proportionate share of the net pension liability (asset)	\$317,295					
Covered-employee payroll	\$4,876,032					
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.067855609					
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.0%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**TOWN OF NORTH CASTLE**

**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Last 10 Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 1,177,993									
Contributions in relation to the contractually required contribution	<u>1,177,993</u>									
Contribution deficiency (excess)	\$ -									
Covered-employee payroll	\$ 6,870,015									
Contributions as a percentage of covered-employee payroll	17.15%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>NEW YORK STATE POLICE AND FIRE RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 1,016,189									
Contributions in relation to the contractually required contribution	<u>1,016,189</u>									
Contribution deficiency (excess)	\$ -									
Covered-employee payroll	\$ 4,676,032									
Contributions as a percentage of covered-employee payroll	21.73%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**SUPPLEMENTARY INFORMATION**

# TOWN OF NORTH CASTLE, NEW YORK

## COMPARATIVE BALANCE SHEETS- GENERAL FUND DECEMBER 31, 2015 AND 2014

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash:		
Demand deposits	\$ 15,520,214	\$ 17,603,620
Petty cash	600	600
Taxes receivable, net of allowance for uncollectible taxes of \$446,584 in 2015 and \$326,996 in 2014	27,589,232	27,709,828
Other receivables:		
Other	64,236	51,068
Due from other governments	495,615	438,976
Prepaid expenditures	<u>587,230</u>	<u>551,545</u>
 Total assets	 <u>\$ 44,257,127</u>	 <u>\$ 46,355,637</u>
 <b>LIABILITIES</b>		
Accounts payable	\$ 368,224	\$ 341,298
Due to other funds	-	482,253
Due to other governments	-	644
Due to school districts	<u>34,892,261</u>	<u>34,903,646</u>
 Total liabilities	 <u>35,260,485</u>	 <u>35,727,841</u>
 <b>DEFERRED INFLOWS OF RESOURCES:</b>	 <u>3,103,402</u>	 <u>1,918,093</u>
 <b>FUND BALANCE</b>		
Non-spendable	587,230	551,545
Restricted	1,692	1,692
Committed	-	109,234
Assigned	9,700	9,700
Unassigned	<u>5,294,618</u>	<u>8,037,532</u>
 Total fund balance	 <u>5,893,240</u>	 <u>8,709,703</u>
 Total liabilities, deferred inflows of resources and fund balance	 <u>\$ 44,257,127</u>	 <u>\$ 46,355,637</u>

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014			
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>							
Real property taxes	\$ 11,670,484	\$ 11,670,484	\$ 10,375,180	\$ 11,567,588	\$ 11,567,588	\$ 11,755,755	\$ 188,167
Other tax items	1,398,898	1,398,898	1,613,511	891,918	891,918	1,376,678	484,760
Nonproperty tax items	1,790,000	1,790,000	2,011,724	2,215,000	2,215,000	2,010,854	(204,146)
Departmental income	1,450,767	1,607,667	1,703,731	1,414,849	1,414,849	1,472,197	57,348
Use of money and property	82,500	82,500	102,406	87,300	87,300	98,710	11,410
Licenses and permits	494,000	494,000	781,959	496,000	496,000	556,968	60,968
Fines and forfeitures	135,000	139,244	125,364	230,000	230,000	104,334	(125,666)
Sale of property and compensation for loss	28,000	28,000	47,918	17,000	17,000	38,207	21,207
State aid	752,000	754,700	808,541	720,000	720,000	913,917	193,917
Federal aid	-	-	2,405	-	-	-	-
Miscellaneous	-	-	73,815	8,000	8,000	108,029	100,029
<b>Total revenues</b>	<b>17,801,649</b>	<b>17,965,493</b>	<b>17,646,554</b>	<b>17,647,655</b>	<b>17,647,655</b>	<b>18,435,649</b>	<b>787,994</b>
<b>EXPENDITURES:</b>							
General governmental support	4,418,264	4,116,271	4,005,705	4,241,817	4,241,817	4,003,749	(238,068)
Public safety	8,346,256	9,993,690	9,844,725	8,517,814	8,517,814	8,195,202	(322,612)
Health	8,453	8,742	7,664	6,377	6,377	7,282	905
Transportation	346,483	355,420	345,543	326,931	326,931	355,038	28,107
Economic opportunity and development	234,992	281,565	276,934	211,327	211,327	211,331	4
Culture and recreation	2,765,887	3,109,486	3,004,775	2,742,723	2,742,723	2,539,459	(203,264)
Home and community services	1,326,746	1,333,416	1,236,655	1,334,004	1,334,004	1,302,860	(31,144)
Employee benefits	-	-	-	750	750	-	-
Debt service	354,568	349,568	190,561	265,912	265,912	272,461	6,549
<b>Total expenditures</b>	<b>17,801,649</b>	<b>19,548,158</b>	<b>18,912,562</b>	<b>17,647,655</b>	<b>17,647,655</b>	<b>16,887,382</b>	<b>(760,273)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>(1,582,665)</b>	<b>(1,266,008)</b>	<b>-</b>	<b>-</b>	<b>1,548,267</b>	<b>1,548,267</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Insurance recoveries	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	7,265	7,265
Transfers out	-	(1,392,455)	(1,550,455)	-	-	(482,253)	482,253
<b>Total other financing sources and uses</b>	<b>-</b>	<b>(1,392,455)</b>	<b>(1,550,455)</b>	<b>-</b>	<b>-</b>	<b>(474,988)</b>	<b>(474,988)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(2,975,120)</b>	<b>(2,816,463)</b>	<b>-</b>	<b>-</b>	<b>1,073,279</b>	<b>1,073,279</b>
<b>FUND BALANCE - beginning of year</b>	<b>8,709,703</b>	<b>8,709,703</b>	<b>8,709,703</b>	<b>7,636,424</b>	<b>7,636,424</b>	<b>7,636,424</b>	<b>-</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 8,709,703</b>	<b>\$ 5,734,583</b>	<b>\$ 5,893,240</b>	<b>\$ 7,636,424</b>	<b>\$ 7,636,424</b>	<b>\$ 8,709,703</b>	<b>\$ 1,073,279</b>

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE BALANCE SHEETS-  
HIGHWAY FUND  
DECEMBER 31, 2015 AND 2014**

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash - demand deposits	\$ 2,135,672	\$ 1,564,203
Due from other funds	-	300,000
Due from other governments	-	172,509
Accounts receivable	<u>8,493</u>	<u>961</u>
Total assets	<u>\$ 2,144,165</u>	<u>\$ 2,037,673</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 91,525	\$ 723,366
Unearned construction revenue	<u>-</u>	<u>130,000</u>
Total liabilities	<u>91,525</u>	<u>853,366</u>
<b>FUND BALANCE</b>		
Assigned	<u>2,052,640</u>	<u>1,184,307</u>
Total fund balance	<u>2,052,640</u>	<u>1,184,307</u>
Total liabilities and fund balance	<u>\$ 2,144,165</u>	<u>\$ 2,037,673</u>

The accompanying notes are an integral part of these statements

TOWN OF NORTH CASTLE, NEW YORK

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - HIGHWAY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

	2015			2014				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>								
Real property taxes	\$ 5,629,811	\$ 5,629,811	\$ 5,629,811	\$ -	\$ 5,239,084	\$ 5,239,084	\$ 5,239,084	\$ -
Departmental income	-	-	-	335,659	-	-	30,000	30,000
Intergovernmental charges	100,000	100,000	435,659	470	100,000	100,000	116,296	16,296
Miscellaneous sources	-	-	470	132,137	20,000	20,000	1,570	(18,430)
Sale of property and compensation for loss	31,000	31,000	163,137	2,639	1,000	1,000	52,767	51,767
Interfund revenues	-	-	2,639	9,160	-	-	2,480	2,480
State aid	200,000	200,000	209,160	62,876	140,000	140,000	203,868	63,868
Federal aid	-	-	62,876	542,941	-	-	41,242	41,242
Total revenues	5,960,811	5,960,811	6,503,752	542,941	5,500,084	5,500,084	5,687,307	187,223
<b>EXPENDITURES:</b>								
General governmental support	6,500	7,441	20,416	12,975	-	-	7,064	7,064
Transportation	5,742,704	7,019,454	6,661,397	(358,057)	5,265,155	5,265,155	6,235,068	969,913
Debt service - principal	165,000	165,000	165,000	-	234,929	234,929	184,900	(50,029)
Debt service - interest	46,607	46,607	46,606	(1)	-	-	50,027	50,027
Total expenditures	5,960,811	7,238,502	6,893,419	(345,083)	5,500,084	5,500,084	6,477,059	976,975
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	(1,277,691)	(389,667)	888,024	-	-	(789,752)	(789,752)
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in	-	1,258,000	1,258,000	-	-	-	305,155	305,155
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	-	1,258,000	1,258,000	-	-	-	305,155	305,155
<b>CHANGE IN FUND BALANCE</b>	-	(19,691)	868,333	888,024	-	-	(484,597)	(484,597)
FUND BALANCE - beginning of year	1,184,307	1,184,307	1,184,307	-	1,668,904	1,668,904	1,668,904	-
FUND BALANCE - end of year	\$ 1,184,307	\$ 1,164,616	\$ 2,052,640	\$ 888,024	\$ 1,668,904	\$ 1,668,904	\$ 1,184,307	\$ (484,597)

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE BALANCE SHEETS-  
PUBLIC LIBRARY  
DECEMBER 31, 2015 AND 2014**

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash:		
Demand deposits	\$ 247,876	\$ 308,740
Petty cash	336	178
Receivables:		
Accounts receivable	<u>4,211</u>	<u>-</u>
Total assets	<u>\$ 252,423</u>	<u>\$ 308,918</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	<u>\$ 39,640</u>	<u>\$ 2,688</u>
<b>FUND BALANCE</b>		
Assigned	<u>212,783</u>	<u>306,230</u>
Total liabilities and fund balance	<u>\$ 252,423</u>	<u>\$ 308,918</u>

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - PUBLIC LIBRARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014			
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:							
Real property taxes	\$ 1,618,948	\$ 1,618,948	\$ 1,618,948	\$ 1,596,509	\$ 1,596,509	\$ 1,596,509	\$ -
Departmental income	18,000	18,000	13,398	20,000	20,000	13,890	(6,110)
Use of money and property	17,000	17,000	9,836	18,000	18,000	14,165	(3,835)
Sale of property and compensation for loss	1,400	1,400	1,199	1,200	1,200	1,246	46
State aid	8,000	8,000	45,387	3,200	3,200	11,344	8,144
Miscellaneous	5,300	30,700	43,768	500	500	4,190	3,690
<b>Total revenues</b>	<b>1,668,648</b>	<b>1,694,048</b>	<b>1,732,536</b>	<b>1,639,409</b>	<b>1,639,409</b>	<b>1,641,344</b>	<b>1,935</b>
EXPENDITURES:							
Culture and recreation	1,668,648	1,834,046	1,825,983	1,664,848	1,664,848	1,564,596	(100,252)
<b>Total expenditures</b>	<b>1,668,648</b>	<b>1,834,046</b>	<b>1,825,983</b>	<b>1,664,848</b>	<b>1,664,848</b>	<b>1,564,596</b>	<b>(100,252)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>(139,998)</b>	<b>(93,447)</b>	<b>(25,439)</b>	<b>(25,439)</b>	<b>76,748</b>	<b>102,187</b>
<b>FUND BALANCE - beginning of year</b>	<b>306,230</b>	<b>306,230</b>	<b>306,230</b>	<b>229,482</b>	<b>229,482</b>	<b>229,482</b>	<b>-</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 306,230</b>	<b>\$ 166,232</b>	<b>\$ 212,783</b>	<b>\$ 204,043</b>	<b>\$ 204,043</b>	<b>\$ 306,230</b>	<b>\$ 102,187</b>

TOWN OF NORTH CASTLE, NEW YORK

COMPARATIVE BALANCE SHEET - SPECIAL DISTRICTS FUND  
 DECEMBER 31, 2015

(With Comparative Totals for 2014)

	Water Districts							Sewer Districts				Quarry Heights	
	No. 1	No. 2	No. 4	No. 5	No. 6	No. 7	No. 1	No. 2	No. 3	No. 4			
Cash:													
Demand deposits	\$ 477,492	\$ 323,404	\$ 1,107,970	\$ 227,043	\$ 4,590	\$ 78,471	\$ 463,861	\$ 1,143,169	\$ 464,380	\$ 124,674	\$ 66,737		
Receivables:													
Water rents	45,922	68,083	43,968	1,989	-	476	-	-	-	-	-		
Accounts receivable	-	-	2,888	4,932	-	-	-	-	-	-	-		
Total assets	523,414	391,487	1,154,826	233,964	4,590	78,947	463,861	1,143,169	464,380	124,674	66,737		
LIABILITIES:													
Accounts payable	50,988	4,933	9,288	449	-	158	932	48,576	2,974	16	1,164		
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	-		
Due to other funds	-	-	-	-	-	-	-	-	-	-	-		
Total liabilities	50,988	4,933	9,288	449	-	158	932	48,576	2,974	16	1,164		
DEFERRED INFLOWS OF RESOURCES:													
	-	-	-	-	-	-	-	-	-	-	-		
FUND BALANCES (DEFICITS):													
Assigned	472,426	386,554	1,145,538	233,515	4,590	78,789	462,929	1,094,593	461,406	124,658	65,573		
Total liabilities and fund balances (deficits)	\$ 523,414	\$ 391,487	\$ 1,154,826	\$ 233,964	\$ 4,590	\$ 78,947	\$ 463,861	\$ 1,143,169	\$ 464,380	\$ 124,674	\$ 66,737		

TOWN OF NORTH CASTLE, NEW YORK

COMPARATIVE BALANCE SHEET - SPECIAL DISTRICT FUNDS  
DECEMBER 31, 2015

(With Comparative Totals for 2014)

	Carried Forward	Street Lighting Districts			Fire Protection District No. 1	Parking District No. 1	Ambulance Districts		Totals	
		No. 1	No. 2	No. 3			No. 1	No. 2		2015
Cash:										
Demand deposits	\$ 4,481,791	\$ 20,067	\$ 2,955	\$ 8,286	\$ 405	\$ 3,062	\$ 47,571	\$ 3,961	\$ 4,568,098	\$ 5,178,898
Receivables:										
Water rents	160,438	-	-	-	-	-	-	-	160,438	140,616
Accounts receivable	7,820	-	-	-	-	-	-	-	7,820	2,888
Total assets	4,650,049	20,067	2,955	8,286	405	3,062	47,571	3,961	4,736,356	5,322,402
LIABILITIES:										
Accounts payable	119,478	608	904	47	-	-	19,668	-	140,705	110,645
Accrued liabilities	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	425,000
Total liabilities	119,478	608	904	47	-	-	19,668	-	140,705	535,645
DEFERRED INFLOWS FROM RESOURCES:										
FUND BALANCES (DEFICITS):										
Assigned	4,530,571	19,459	2,051	8,239	405	3,062	27,903	3,961	4,595,651	4,783,757
Total liabilities and fund balances (deficits)	\$ 4,650,049	\$ 20,067	\$ 2,955	\$ 8,286	\$ 405	\$ 3,062	\$ 47,571	\$ 3,961	\$ 4,736,356	\$ 5,322,402

TOWN OF NORTH CASTLE, NEW YORK

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - SPECIAL DISTRICTS FUND  
 DECEMBER 31, 2015  
 (With Comparative Totals for 2014)

	Water Districts							Sewer Districts				Quarry Heights
	No. 1	No. 2	No. 4	No. 5	No. 6	No. 7	No. 1	No. 2	No. 3	No. 4		
REVENUES:												
Real property taxes	\$ 200,526	\$ 791,019	\$ 6,500	\$ 30,000	\$ -	\$ 34,307	\$ 81,419	\$ 796,758	\$ 85,000	\$ 22,000	\$ 24,541	
Departmental income	515,123	402,209	437,180	113,847	-	17,900	25	809	-	2,550	-	
Use of money and property	4,337	6,598	7,372	974	-	30	-	206,406	-	18	-	
Sale of property and compensation for loss	19,375	1,318	590	23	-	12	180	1,706	80	5	41	
Federal aid	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous	1,436	315	-	-	-	-	-	-	-	-	-	
Total revenues	740,797	1,201,459	451,642	144,844	-	52,249	81,624	1,005,679	85,080	24,573	24,582	
EXPENDITURES:												
General governmental support	22,656	329	125	-	-	9	6,356	2,230	60	97	19	
Public safety	-	-	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	-	-	
Transportation	-	-	-	-	-	-	-	-	-	-	-	
Home and community services	516,639	275,849	321,512	83,811	-	11,142	65,702	737,870	43,729	24,906	17,019	
Debt service - principal	93,067	332,519	4,960	28,274	-	26,180	-	337,980	-	-	-	
Debt service - interest	32,765	377,769	1,540	8,776	-	8,126	-	187,104	-	-	-	
Total expenditures	665,127	986,466	328,137	120,861	-	45,457	72,058	1,265,184	43,789	25,003	17,038	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	75,670	214,993	123,505	23,983	-	6,792	9,566	(259,505)	41,291	(430)	7,544	
OTHER FINANCING SOURCES (USES):												
Insurance recoveries	-	-	-	59	-	7	-	-	46	13	-	
Bans redeemed from appropriations	-	-	-	-	-	-	-	-	-	-	-	
Transfers in	379	-	21,420	-	-	-	-	12,930	-	-	-	
Transfers out	(80,000)	(326,000)	-	-	-	-	-	(62,132)	-	-	-	
Total other financing sources and uses	(79,621)	(326,000)	21,420	59	-	7	-	(49,202)	46	13	-	
CHANGE IN FUND BALANCE	(3,951)	(111,007)	144,925	24,042	-	6,799	9,566	(308,707)	41,337	(417)	7,544	
FUND BALANCE - beginning of year	476,377	497,561	1,000,613	209,473	4,590	71,990	453,363	1,403,300	420,069	125,075	58,029	
FUND BALANCE - end of year	472,426	386,554	1,145,538	233,515	4,590	78,789	462,929	1,094,593	461,406	124,658	65,573	

TOWN OF NORTH CASTLE, NEW YORK

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - SPECIAL DISTRICTS FUNDS  
DECEMBER 31, 2015

(With Comparative Totals for 2014)

	Carried Forward	Lighting Districts			Fire Protection District No. 1	Parking District No. 2	Ambulance Districts		Totals	
		No. 1	No. 2	No. 3			No. 1	No. 2	2015	2014
		\$	\$	\$			\$	\$	\$	\$
REVENUES:										
Real property taxes	\$ 2,072,070	\$ 58,876	\$ 77,420	\$ 2,970	\$ 479,195	-	\$ 80,639	\$ 196,320	\$ 2,967,490	\$ 2,683,165
Departmental income	1,489,643	-	-	-	-	-	-	-	1,489,643	1,414,576
Use of money and property	225,735	-	-	-	-	-	-	-	225,735	236,736
Sale of property and compensation for loss	23,330	-	-	-	-	-	-	-	23,330	7,670
Miscellaneous	1,751	-	-	-	-	-	-	-	1,751	(8,892)
Total revenues	3,812,529	58,876	77,420	2,970	479,195	-	80,639	196,320	4,707,949	4,333,255
EXPENDITURES:										
General governmental support	31,881	2,819	463	-	991	-	5,127	537	41,818	16,176
Public safety	-	-	-	-	496,695	-	-	-	496,695	494,967
Health	-	-	-	-	-	-	70,633	195,320	265,953	265,393
Transportation	-	51,690	67,695	1,687	-	-	-	-	121,072	134,025
Home and community services	2,088,179	-	-	-	-	-	-	-	2,098,179	2,270,410
Debt service - principal	822,980	-	-	-	-	-	-	-	822,980	713,591
Debt service - interest	616,080	-	-	-	-	-	-	-	616,080	305,824
Total expenditures	3,569,120	54,509	68,158	1,687	497,686	-	75,760	195,857	4,462,777	4,200,386
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	243,409	4,367	9,262	1,283	(18,491)	-	4,879	463	245,172	132,869
OTHER FINANCING SOURCES (USES):										
Insurance recoveries	125	-	-	-	-	-	-	-	125	-
Transfers in	34,729	-	-	-	-	-	-	-	34,729	-
Transfers out	(468,132)	-	-	-	-	-	-	-	(468,132)	(265,000)
Total other financing sources and uses	(433,278)	-	-	-	-	-	-	-	(433,278)	(265,000)
CHANGE IN FUND BALANCE	(189,869)	4,367	9,262	1,283	(18,491)	-	4,879	463	(188,106)	(132,131)
FUND BALANCE - beginning of year	4,720,440	15,092	(7,211)	6,956	18,896	3,062	23,024	3,498	4,783,757	4,915,888
FUND BALANCE - end of year	\$ 4,530,571	\$ 19,459	\$ 2,051	\$ 8,239	\$ 405	\$ 3,062	\$ 27,903	\$ 3,961	\$ 4,595,651	\$ 4,783,757

The accompanying notes are an integral part of this supplementary information.

# TOWN OF NORTH CASTLE, NEW YORK

## COMPARATIVE BALANCE SHEETS- CAPITAL PROJECTS FUND DECEMBER 31, 2015 AND 2014

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash - demand deposits	\$ 1,489,162	\$ 6,238,627
Restricted Investments	113,390	113,390
Due from other funds	<u>-</u>	<u>607,253</u>
Total assets	<u>\$ 1,602,552</u>	<u>\$ 6,959,270</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 383,853	\$ 265,316
Retainages payable	493,191	176,630
Bond anticipation notes payable	<u>695,000</u>	<u>513,000</u>
Total liabilities	<u>1,572,044</u>	<u>954,946</u>
<b>FUND BALANCE</b>		
Restricted	30,508	6,004,324
Total fund balance	<u>30,508</u>	<u>6,004,324</u>
Total liabilities and fund balance	<u>\$ 1,602,552</u>	<u>\$ 6,959,270</u>

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
CAPITAL PROJECTS FUND  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

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	<u>2015</u>	<u>2014</u>
REVENUES:		
Miscellaneous	\$ 227,625	\$ -
State aid	<u>65,195</u>	<u>-</u>
Total revenues	<u>292,820</u>	<u>-</u>
EXPENDITURES:		
General governmental support	-	-
Capital outlay	<u>6,992,494</u>	<u>4,564,000</u>
Total expenditures	<u>6,992,494</u>	<u>4,564,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,699,674)</u>	<u>(4,564,000)</u>
OTHER FINANCING SOURCES (USES):		
Bans redeemed from appropriations	-	253,900
Proceeds from bond issuance	-	9,950,000
Transfers in	760,587	447,253
Transfers out	<u>(34,729)</u>	<u>(12,420)</u>
Total other financing sources and uses	<u>725,858</u>	<u>10,638,733</u>
CHANGE IN FUND BALANCE	(5,973,816)	6,074,733
FUND BALANCE - beginning of year	<u>6,004,324</u>	<u>(70,409)</u>
FUND BALANCE - end of year	<u>\$ 30,508</u>	<u>\$ 6,004,324</u>

The accompanying notes are an integral part of these statements

TOWN OF NORTH CASTLE, NEW YORK  
 PROJECT-LENGTH SCHEDULE  
 CAPITAL PROJECTS FUND  
 INCEPTION OF PROJECT THROUGH DECEMBER 31, 2015

Project Number	Project Name	Budget 1/1/15	Amendments 2015	Budget 12/31/15	Funding Source	Expenditures		Revenue		Fund Balance 12/31/2015	BANS O/S	
						Prior Year	2015	Prior Year	2015			
68	WD #1 Chlorination Contact Time	\$ 900,000	\$ -	\$ 900,000	Bond	\$ 748,621	\$ 379	\$ 750,000	\$ -	\$ 750,000	\$ -	
83	RT128 Connect Rd.	108,321	-	108,321	Donater/int	46,292	-	108,321	-	108,321	62,029	
100	Parks Improvements	458,305	-	458,305	Various	447,155	-	458,305	-	459,305	12,150	
103	Water District #4 Extension	385,000	-	385,000	BAN	363,580	21,420	385,000	-	385,000	-	
106	Wampus Brook Pathway	240,015	-	240,015	T&AFed	31,300	-	385,000	-	83,375	52,075	
109	Sewer #2 Treatment Plant Upgrade	5,200,000	-	5,200,000	BOND	4,614,126	-	4,598,563	15,563	4,614,126	-	
110	Sewer #2 Sand Filler	370,000	-	370,000	BAN	353,570	12,930	366,500	-	366,500	-	
116	Windmill Tank	2,080,000	-	2,080,000	BAN	1,991,854	422	1,992,281	80,000	2,000,000	7,724	
117	NWP Painting	1,130,000	-	1,130,000	BAN	1,142,674	-	970,000	80,000	1,050,000	(92,674)	
118	Sewer Nitrogen Removal	5,300,000	-	5,300,000	interfund trans	5,346,570	-	5,300,000	46,570	5,346,570	-	
122	Sewer & Water Building - new	655,003	-	655,003	interfund trans	951,093	-	1,188,499	-	225,003	225,003	
124	Quarry Heights	1,188,499	-	1,188,499	federal/misc	951,093	-	1,188,499	-	237,406	237,406	
H1	LT2 UV Disinfection Facility	-	1,500,000	1,500,000	Bond	127,000	127,000	9,950,000	-	(127,000)	-	
H2	Water Distribution System Replacement	9,950,000	-	9,950,000	Bond	3,575,019	6,157,860	9,732,879	-	217,121	16,611	
HD	Windmill Water District Project	285,000	246,000	511,000	interfund trans	272,389	222,000	494,389	246,000	511,000	(57,936)	
HG	Gazebo	-	285,669	285,669	Insurance	285,561	285,561	285,561	227,625	227,625	-	
HO	Open Space	500,000	-	500,000	Transfer/BAN	500,000	-	500,000	-	-	500,000	
HR	Copiers	55,000	-	55,000	BAN	55,628	-	55,628	628	20,628	-	
HS	Sidewalks	-	199,650	199,650	Bond	199,650	199,650	199,650	199,650	199,650	35,000	
H	Open Space	430,000	-	430,000	BAN	417,001	-	430,000	-	430,000	12,999	
2011	Westwood	353,432	-	353,432	BAN	353,432	-	353,432	138,000	353,432	-	
<b>TOTAL</b>		<b>\$ 29,569,575</b>	<b>\$ - 2,231,319</b>	<b>\$ 31,800,894</b>		<b>\$ 21,211,304</b>	<b>\$ - 7,027,222</b>	<b>\$ 28,238,531</b>	<b>\$ - 1,053,408</b>	<b>\$ 28,289,034</b>	<b>\$ 30,508</b>	<b>\$ 695,000</b>

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE BALANCE SHEETS-  
DEBT SERVICE FUND  
DECEMBER 31, 2015 AND 2014**

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash	\$ 3,651	\$ 3,652
Cash with fiscal agent	<u>575</u>	<u>575</u>
Total assets	<u>\$ 4,226</u>	<u>\$ 4,227</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Bond interest and matured bonds payable	\$ 575	\$ 576
<b>FUND BALANCE</b>		
Restricted	<u>3,651</u>	<u>3,651</u>
Total liabilities and fund balance	<u>\$ 4,226</u>	<u>\$ 4,227</u>

The accompanying notes are an integral part of these statements

**TOWN OF NORTH CASTLE, NEW YORK**

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - DEBT SERVICE FUND  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015			2014		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-
EXPENDITURES:						
Serial bonds -						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
CHANGE IN FUND BALANCE	-	-	-	-	-	-
FUND BALANCE - beginning of year	-	-	3,651	3,651	3,651	3,651
FUND BALANCE - end of year	\$ -	\$ -	\$ 3,651	\$ 3,651	\$ 3,651	\$ 3,651

Note: Principal and interest expenditures were recorded in their respective funds during the current year.

**STATISTICAL SECTION (UNAUDITED)**

**TOWN OF NORTH CASTLE, NEW YORK**

**NET POSITION BY COMPONENT  
LAST EIGHT FISCAL YEARS**

	<u>2008(1)</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>PRIMARY GOVERNMENT:</b>								
Invested in capital assets	\$ 17,894,852	\$ 17,628,645	\$ 18,307,276	\$ 18,309,183	\$ 17,780,215	\$ 19,232,497	\$ 12,049,991	\$ 14,247,485
Restricted	4,697,246	4,942,924	5,037,797	4,964,130	4,834,354	4,921,231	10,793,424	4,631,502
Unrestricted	<u>(2,086,371)</u>	<u>(3,221,147)</u>	<u>(4,207,861)</u>	<u>(4,667,973)</u>	<u>(2,261,648)</u>	<u>(1,686,158)</u>	<u>(3,870,614)</u>	<u>(5,866,745)</u>
Total primary government net position	<u>\$ 20,505,727</u>	<u>\$ 19,350,422</u>	<u>\$ 19,137,212</u>	<u>\$ 18,605,340</u>	<u>\$ 20,352,921</u>	<u>\$ 22,467,570</u>	<u>\$ 18,972,801</u>	<u>\$ 13,012,242</u>

(1) Net position reflect the initial implementation of the requirements of Governmental Accounting Standards Board Statement No. 54 regarding the recording of other post employment benefit obligations.

TOWN OF NORTH CASTLE, NEW YORK

CHANGES IN NET POSITION  
LAST EIGHT FISCAL YEARS

	2008(1)	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>								
EXPENSES:								
General government support	\$ 4,446,771	\$ 3,890,067	\$ 4,166,045	\$ 4,252,016	\$ 3,563,786	\$ 4,171,299	\$ 4,491,082	\$ 4,621,722
Public safety	9,004,425	8,873,203	9,345,182	9,256,357	8,982,600	9,148,519	9,468,143	11,170,848
Health	237,438	244,683	261,169	258,321	281,807	306,612	273,690	274,296
Transportation	6,434,122	5,861,894	5,607,814	5,579,877	4,476,680	5,694,950	5,749,561	7,928,052
Economic opportunity and development	175,844	122,141	102,376	111,048	195,911	210,864	237,086	300,679
Culture and recreation	4,967,238	4,603,292	4,673,102	4,569,492	4,753,269	4,628,823	4,746,241	5,747,153
Home and community services	4,635,011	4,293,741	4,546,129	4,621,888	4,199,220	4,103,472	7,664,127	7,402,203
Interest	454,503	461,259	502,723	436,361	517,320	312,665	477,255	725,766
Total primary government expense	30,355,352	28,350,280	29,204,540	29,085,360	26,970,593	28,577,204	33,107,185	38,170,719
PROGRAM REVENUES:								
Charges for services -								
General government support	24,749	26,998	40,131	34,404	14,131	10,557	777,683	37,095
Public safety	921,082	917,723	983,252	857,614	300,772	228,705	176,440	172,938
Transportation	212,572	273,452	269,271	204,523	217,986	115,896	146,296	483,577
Culture and recreation	1,074,560	1,182,668	1,029,766	1,077,690	1,118,769	1,279,329	1,068,987	1,337,710
Home and community services	1,515,187	1,319,284	1,527,383	1,697,959	2,203,773	2,271,611	1,698,987	2,575,406
Operating grants and contributions	410,621	347,363	639,773	297,626	444,581	114,525	61,836	2,405
Capital grants and contributions	1,499,890	445,050	152,800	160,372	-	752,582	338,359	352,932
Total primary government program revenues	5,658,661	4,512,538	4,642,376	4,330,188	4,300,012	4,773,205	4,268,588	4,962,063
Total primary government net expense	(24,696,691)	(23,837,742)	(24,562,164)	(24,755,172)	(22,670,581)	(23,803,999)	(28,838,597)	(33,208,656)
GENERAL REVENUES:								
Taxes -								
Real property taxes	18,199,753	19,224,451	20,354,370	20,094,810	20,318,166	21,010,015	20,789,170	21,777,992
Other tax items	924,947	1,013,986	1,414,904	1,304,046	1,486,744	1,463,862	1,376,678	1,613,511
Non-property taxes	1,635,068	1,526,691	1,648,859	1,779,878	1,562,191	1,665,649	1,724,158	1,707,607
Unrestricted use of money and property	214,990	112,782	70,509	94,968	59,935	75,040	98,710	337,977
Unrestricted sale of property and compensation for loss	-	-	13,593	3,011	-	-	-	-
Unrestricted State aid	1,119,304	579,654	739,217	799,064	754,243	897,204	863,425	775,351
Gain on sale of real property	-	122,055	49,699	-	608,440	367,069	99,890	235,584
Donated assets	-	-	-	-	-	-	-	-
Miscellaneous	47,836	102,818	57,803	39,251	726,038	359,145	391,593	660,214
Insurance recoveries	-	-	-	108,272	65,905	80,664	-	-
Total primary government	22,141,898	22,682,437	24,348,954	24,223,300	25,581,662	25,918,648	25,343,624	27,108,236
CHANGE IN NET POSITION TOTAL PRIMARY GOVERNMENT	\$ (2,554,793)	\$ (1,155,305)	\$ (213,210)	\$ (531,872)	\$ 2,911,081	\$ 2,114,649	\$ (3,494,973)	\$ (6,100,420)

(1) Net position reflect the initial implementation of the requirements of Governmental Accounting Standards Board Statement No. 45 regarding the recording of other post employment benefit obligations.

**TOWN OF NORTH CASTLE, NEW YORK**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011(1)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>GENERAL FUND:</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,633	\$ 488,548	\$ 602,927	\$ 551,545	\$ 587,230
Restricted	-	-	-	-	-	1,692	1,692	1,692	1,692	1,692
Committed	-	-	-	-	-	9,700	9,700	9,700	109,234	-
Assigned	-	-	-	-	-	103,493	110,448	46,665	-	9,700
Unassigned	-	-	-	-	-	2,994,260	4,689,179	6,975,440	8,037,532	5,294,618
Reserved	510,996	220,494	228,191	212,312	247,560	-	-	-	-	-
Unreserved	<u>1,724,204</u>	<u>1,642,850</u>	<u>964,383</u>	<u>1,007,625</u>	<u>2,091,073</u>	-	-	-	-	-
Total general fund	<u>2,235,200</u>	<u>1,863,344</u>	<u>1,192,574</u>	<u>1,219,937</u>	<u>2,338,633</u>	<u>3,244,778</u>	<u>5,299,567</u>	<u>7,636,424</u>	<u>8,700,003</u>	<u>5,893,240</u>
<b>ALL OTHER GOVERNMENTAL FUNDS:</b>										
Restricted	-	-	-	-	-	3,219,292	548,487	3,651	10,791,732	4,599,302
Assigned	-	-	-	-	-	4,218,321	5,408,176	6,814,274	1,490,537	2,265,423
Reserved	4,866,099	3,252,877	1,430,435	1,448,148	1,615,236	-	-	-	-	-
Unreserved, reported in special revenue funds	3,481,506	3,963,533	4,302,140	4,889,546	4,752,202	-	-	-	-	-
Capital projects fund	<u>(7,495,572)</u>	<u>(2,520,701)</u>	<u>(1,778,216)</u>	<u>161,213</u>	<u>467,212</u>	-	-	-	<u>6,004,324</u>	<u>30,508</u>
Total all other governmental funds	<u>852,033</u>	<u>4,695,709</u>	<u>3,954,359</u>	<u>6,498,907</u>	<u>6,834,650</u>	<u>7,437,613</u>	<u>5,956,663</u>	<u>6,817,925</u>	<u>18,286,593</u>	<u>6,895,233</u>
Total governmental funds	<u>\$ 3,087,233</u>	<u>\$ 6,559,053</u>	<u>\$ 5,146,933</u>	<u>\$ 7,718,844</u>	<u>\$ 9,173,283</u>	<u>\$ 10,682,391</u>	<u>\$ 11,256,230</u>	<u>\$ 14,454,349</u>	<u>\$ 26,986,596</u>	<u>\$ 12,788,473</u>

(1) The Town implemented the provisions of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", for the fiscal year ended December 31, 2011.

TOWN OF NORTH CASTLE, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>REVENUES:</b>										
Real property taxes	\$ 15,622,212	\$ 16,791,769	\$ 18,083,022	\$ 18,661,599	\$ 19,814,989	\$ 19,880,035	\$ 19,397,786	\$ 21,174,858	\$ 21,274,513	\$ 20,591,429
Other tax items	1,059,455	1,012,391	924,947	1,013,986	1,414,904	1,304,046	1,486,744	1,463,862	1,376,678	1,613,511
Non-property taxes	1,507,662	1,611,600	1,635,068	1,526,691	1,648,859	1,779,878	1,754,584	1,991,126	2,010,854	2,011,724
Departmental income	2,423,280	2,511,669	2,544,908	2,471,583	2,789,504	2,773,509	2,823,632	2,961,704	2,930,663	3,206,772
Intergovernmental changes	123,872	152,908	156,667	213,612	195,849	126,000	148,964	115,896	116,296	435,659
Use of money and property	824,690	947,730	569,362	419,705	368,525	401,666	591,190	399,807	349,611	337,977
Licenses and permits	684,164	660,460	613,132	578,110	411,450	533,168	709,348	646,808	556,968	781,959
Fines and forfeitures	172,140	194,258	185,497	213,835	207,824	204,197	149,737	180,997	104,334	125,364
Sale of property and compensation for loss	67,369	49,969	56,179	117,673	42,136	35,988	100,935	42,302	99,890	235,584
Interfund revenues	2,466	1,723	2,822	3,207	3,381	4,051	1,581	1,193	2,480	2,639
State aid	2,095,975	2,108,902	1,639,294	914,981	1,059,846	1,090,886	968,931	1,200,318	1,129,129	1,128,283
Federal aid	-	70,675	718,252	189,978	163,031	9,156	229,893	563,493	41,242	65,281
Miscellaneous	623,726	428,288	557,500	188,315	285,333	89,912	404,755	33,668	104,897	347,429
<b>Total revenues</b>	<b>25,207,011</b>	<b>26,542,242</b>	<b>27,686,650</b>	<b>26,513,275</b>	<b>28,405,631</b>	<b>28,234,492</b>	<b>28,768,080</b>	<b>30,776,032</b>	<b>30,097,555</b>	<b>30,883,611</b>
<b>EXPENDITURES:</b>										
Current -										
General governmental support	2,871,813	3,626,721	3,543,513	3,454,054	3,412,651	4,325,763	3,473,734	3,828,575	4,203,539	4,067,939
Public safety	5,434,016	7,801,024	8,174,825	7,868,895	8,492,596	8,491,391	8,115,036	8,475,654	8,534,775	10,341,420
Health	223,314	228,708	237,438	244,683	261,169	258,321	281,807	305,763	272,675	273,617
Transportation	2,958,213	4,408,191	4,780,947	4,679,960	4,710,690	4,949,428	4,318,345	5,198,899	6,710,277	7,128,012
Economic opportunity and development	128,070	182,299	175,844	115,401	96,002	107,883	173,295	188,759	211,331	276,934
Culture and recreation	3,312,893	4,177,619	4,047,050	4,021,306	4,079,107	4,090,155	4,124,512	4,022,416	4,103,840	4,830,758
Home and community services	3,493,233	3,879,994	4,069,299	3,667,265	3,816,148	4,027,513	3,540,955	3,467,269	3,566,183	3,334,834
Employee benefits (1)	4,598,400	-	-	-	-	-	948	-	-	-
Debt service -										
Principal	335,000	280,000	480,000	495,000	713,563	758,000	774,000	1,049,000	1,094,511	1,115,000
Interest	239,078	363,153	457,581	440,729	536,464	450,819	501,057	318,289	432,292	726,227
Refunding bond issuance costs	-	-	-	-	51,039	-	-	-	-	-
Capital Outlay	4,868,559	4,726,276	3,132,273	4,323,113	1,527,501	1,874,383	1,792,959	874,362	4,564,000	6,992,494
<b>Total expenditures</b>	<b>28,462,589</b>	<b>29,673,985</b>	<b>29,098,770</b>	<b>29,310,406</b>	<b>27,696,930</b>	<b>29,333,656</b>	<b>27,096,648</b>	<b>27,728,986</b>	<b>33,693,423</b>	<b>39,087,235</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,255,578)</b>	<b>(3,131,743)</b>	<b>(1,412,120)</b>	<b>(2,797,131)</b>	<b>708,701</b>	<b>(1,099,164)</b>	<b>1,671,432</b>	<b>3,047,046</b>	<b>(3,595,868)</b>	<b>(8,203,624)</b>
<b>OTHER FINANCING SOURCES (USES):</b>										
Sale of real property	-	-	-	124,042	49,699	-	-	-	-	-
BAN's redeemed from appropriations	-	-	-	-	-	-	-	-	253,900	-
Bonds issued	1,100,000	6,603,563	-	5,245,000	645,000	2,500,000	-	-	9,950,000	-
Insurance recoveries	-	-	-	-	-	108,272	65,905	80,664	-	-
Refunding bonds issued	-	-	-	-	1,740,000	-	-	-	-	-
Issuance premium	-	-	-	-	161,390	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(1,850,351)	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	-	-	125
Transfers in	1,759,832	1,924,314	1,423,115	1,438,043	2,232,747	1,998,287	2,179,194	2,258,574	759,673	2,053,316
Transfers out	(1,759,832)	(1,924,314)	(1,423,115)	(1,438,043)	(2,232,747)	(1,998,287)	(2,179,194)	(2,258,574)	(759,673)	(2,053,316)
<b>Total other financing sources and uses</b>	<b>1,100,000</b>	<b>6,603,563</b>	<b>-</b>	<b>5,369,042</b>	<b>745,738</b>	<b>2,608,272</b>	<b>65,905</b>	<b>80,664</b>	<b>10,203,900</b>	<b>125</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$(2,155,578)</b>	<b>\$ 3,471,820</b>	<b>\$(1,412,120)</b>	<b>\$ 2,571,911</b>	<b>\$ 1,454,439</b>	<b>\$ 1,509,108</b>	<b>\$ 1,737,337</b>	<b>\$ 3,127,710</b>	<b>\$ 6,608,032</b>	<b>\$(8,203,499)</b>

(1) Beginning in fiscal year 2007, the cost of employee benefits was distributed within the applicable department.

**TOWN OF NORTH CASTLE, NEW YORK**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Special Franchise (1)</u>	<u>Total Taxable Assessed Value</u>	<u>State Special Equalization Rate (2)</u>	<u>Estimated Actual Taxable Value</u>	<u>Total Effective Tax Rate (3)</u>
2006	\$ 89,302,215	\$ 24,496,505	\$ 321,100	\$ 1,474,520	\$ 115,594,340	2.16 %	\$ 5,351,589,815	\$ 118.51
2007	\$ 90,941,365	\$ 24,273,750	\$ 321,100	\$ 1,457,663	\$ 116,993,878	1.94 %	\$ 6,030,612,268	\$ 124.45
2008	\$ 90,287,065	\$ 24,238,250	\$ 315,500	\$ 1,373,095	\$ 116,213,910	1.91 %	\$ 6,084,497,906	\$ 133.10
2009	\$ 90,925,745	\$ 24,011,619	\$ 315,500	\$ 1,428,897	\$ 116,681,761	1.94 %	\$ 6,014,523,763	\$ 139.25
2010	\$ 90,909,470	\$ 23,255,625	\$ 315,500	\$ 1,417,165	\$ 115,897,760	2.13 %	\$ 5,441,209,390	\$ 147.36
2011	\$ 90,551,423	\$ 23,067,840	\$ 312,200	\$ 1,434,191	\$ 115,365,654	2.30 %	\$ 5,015,898,000	\$ 150.03
2012	\$ 90,141,695	\$ 22,990,000	\$ 312,200	\$ 1,589,186	\$ 115,033,081	2.24 %	\$ 5,135,405,402	\$ 152.19
2013	\$ 89,697,730	\$ 23,051,440	\$ 308,900	\$ 1,513,633	\$ 114,571,703	2.36 %	\$ 4,854,733,178	\$ 156.33
2014	\$ 90,580,408	\$ 22,856,250	\$ 301,500	\$ 1,535,940	\$ 115,274,098	2.37 %	\$ 4,863,885,992	\$ 158.30
2015	\$ 90,817,768	\$ 22,613,550	\$ 299,500	\$ 1,914,566	\$ 115,645,384	2.25 %	\$ 5,139,794,844	\$ 162.21

(1) Assessed valuation of transmission lines of Consolidated Edison and Verizon

(2) Provided by the New York State Office of Real Property Services

(3) The Town has a complex rate structure that would make such a calculation extremely difficult, since its revenue base cannot be sufficiently segregated for each applicable rate. The Town substituted an effective tax rate instead.

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per \$1,000 of assessed value.  
Source: Town of North Castle Assessor

**TOWN OF NORTH CASTLE, NEW YORK**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES, PER \$1,000 OF ASSESSED VALUATION  
LAST TEN FISCAL YEARS**

Year	Total Effective Tax Rate (1)	Overlapping Rates					
		Westchester County			School Districts (Range)		
		Operating	Sewer Districts (Range)		Sewer Districts (Range)		School Districts (Range)
2006	\$ 118.51	\$ 138.97	\$ 17.67	\$ 19.98	\$ 402.52	\$ 654.75	
2007	\$ 124.45	\$ 133.85	\$ 20.52	\$ 23.14	\$ 428.15	\$ 664.26	
2008	\$ 133.10	\$ 142.85	\$ 22.69	\$ 24.29	\$ 475.30	\$ 748.06	
2009	\$ 139.25	\$ 151.66	\$ 23.27	\$ 26.08	\$ 499.77	\$ 793.89	
2010	\$ 147.36	\$ 157.86	\$ 21.80	\$ 26.83	\$ 492.53	\$ 793.89	
2011	\$ 150.03	\$ 158.12	\$ 21.85	\$ 27.68	\$ 492.53	\$ 766.54	
2012	\$ 152.19	\$ 124.01	\$ 23.02	\$ 46.39	\$ 497.30	\$ 826.26	
2013	\$ 156.33	\$ 160.25	\$ 21.38	\$ 26.98	\$ 541.57	\$ 810.05	
2014	\$ 158.30	\$ 155.86	\$ 24.03	\$ 24.83	\$ 543.30	\$ 871.68	
2015	\$ 162.21	\$ 148.60	\$ 23.39	\$ 28.80	\$ 548.42	\$ 873.34	

Source: Town of North Castle Assessor

(1) The Town has a complex rate structure that would make such a calculation extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The Town substituted an effective rate instead.

**TOWN OF NORTH CASTLE, NEW YORK**

**PRINCIPAL TAXPAYERS  
CURRENT YEAR AND 10 YEARS AGO**

2015

<u>Rank</u>	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Assessed Valuation</u>	<u>Percent of Taxable Assessed Valuation</u> (1)
1	New York City	Watershed	\$ 8,262,745	7.14 %
2	Con Edison	Utility	1,931,857	1.67 %
3	Westchester County	Airport	1,795,800	1.55 %
4	IBM	Commercial	1,284,100	1.11 %
5	Airport Campus I LLC	Commercial	1,146,000	0.99 %
6	Citigroup, Inc.	Commercial	888,800	0.77 %
7	Armonk Square LLC	Commercial	486,000	0.42 %
8	Lashins	Commercial	433,500	0.37 %
9	Fifth Avenue Properties	Residential	390,600	0.34 %
10	North White Shopping Center	Commercial	350,000	0.30 %
	Total		<u>\$ 16,969,402</u>	<u>14.67 %</u>

2005

<u>Rank</u>	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Assessed Valuation</u>	<u>Percent of Taxable Assessed Valuation</u> (1)
1	New York City	Watershed	\$ 7,885,300	6.88 %
2	MBIA	Commercial	2,597,800	2.27 %
3	Westchester County	Airport	1,858,300	1.62 %
4	IBM	Commercial	1,567,300	1.37 %
5	Con Edison	Utility	1,317,715	1.15 %
6	North White Plains Shopping Center	Commercial	672,600	0.59 %
7	NYNEX/Verizon	Utility	561,389	0.49 %
8	Lashins	Commercial	504,500	0.44 %
9	No. Castle Leisure	Commercial	372,900	0.33 %
10	Targan	Commercial	248,600	0.22 %
	Total		<u>\$ 17,586,404</u>	<u>15.35 %</u>

Source: Town of North Castle's Assessor's Office

**TOWN OF NORTH CASTLE, NEW YORK**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Collected within the Fiscal Year of the Levy</u>			<u>Total Collection to Date</u>		
	<u>Taxes Levied for the Fiscal year (1)</u>	<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percentage of Levy</u>
2006	\$ 33,306,131	\$ 33,238,330	99.80 %	\$ 27,749	\$ 33,266,079	99.88 %
2007	\$ 34,247,231	\$ 34,120,366	99.63 %	\$ 71,652	\$ 34,192,018	99.84 %
2008	\$ 37,216,003	\$ 37,017,163	99.47 %	\$ 40,978	\$ 37,058,141	99.58 %
2009	\$ 39,291,251	\$ 38,843,930	98.86 %	\$ 244,956	\$ 39,088,886	99.48 %
2010	\$ 41,197,468	\$ 40,710,885	98.82 %	\$ 149,002	\$ 40,710,885	98.82 %
2011	\$ 40,914,602	\$ 40,454,316	98.88 %	\$ 58,225	\$ 40,512,541	99.02 %
2012	\$ 41,569,942	\$ 40,569,942	98.88 %	\$ 340,487	\$ 40,910,429	98.41 %
2013	\$ 41,991,452	\$ 41,638,972	97.59 %	\$ 178,445	\$ 41,733,970	99.39 %
2014	\$ 41,664,490	\$ 41,199,500	98.88 %	\$ 244,014	\$ 41,443,514	99.47 %
2015	\$ 41,745,818	\$ 41,428,437	99.24 %	\$ 201,940	\$ 41,630,377	99.72 %

Source: Town of North Castle Department of Finance

(1) Includes amounts for General, Highway, Library, Special Districts, and the County of Westchester

**TOWN OF NORTH CASTLE, NEW YORK**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net Long-Term Debt	Percentage of Actual Taxable Value of Property	Percentage of Personal Income (1)	Per Capita (1)
2006	\$ 4,635,000	\$ -	\$ 4,635,000	4.01 %	1.01 %	\$ 427
2007	\$ 10,958,563	\$ 966	\$ 10,957,597	9.37 %	1.66 %	\$ 1,010
2008	\$ 10,478,563	\$ 966	\$ 10,477,597	9.02 %	1.51 %	\$ 966
2009	\$ 15,228,563	\$ 966	\$ 15,227,597	13.05 %	1.74 %	\$ 1,404
2010	\$ 15,065,000	\$ 966	\$ 15,064,034	13.00 %	1.72 %	\$ 1,389
2011	\$ 16,807,000	\$ 3,651	\$ 16,803,349	14.57 %	1.78 %	\$ 1,419
2012	\$ 14,984,000	\$ 3,651	\$ 14,980,349	13.02 %	1.52 %	\$ 1,265
2013	\$ 15,099,000	\$ 3,651	\$ 15,095,349	13.18 %	1.51 %	\$ 1,275
2014	\$ 24,095,000	\$ 3,651	\$ 24,091,349	20.90 %	2.32 %	\$ 2,035
2015	\$ 22,986,000	\$ 3,651	\$ 22,982,349	19.87 %	info not avail	info not avail

(1) Population and personal income data can be found in the schedule of demographic and economic statistics.

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

# TOWN OF NORTH CASTLE, NEW YORK

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2015

<u>Government Unit</u>	<u>Net Long-Term Debt Outstanding (1)</u>	<u>Percentage of Applicable to North Castle (2)</u>	<u>Amount Applicable to North Castle</u>
County of Westchester	\$ 1,108,670,376	3.16 %	35,002,800
School Districts (as of June 30, 2015):			
Byram Hills	39,960,000	86.11 %	34,410,105
Bedford	48,213,980	2.16 %	1,041,671
Harrison	-	0.02 %	-
Mount Pleasant	21,450,000	2.29 %	490,436
Valhalla	34,970,932	29.77 %	<u>10,412,090</u>
			81,357,103
Town direct debt			<u>22,986,000</u>
Net direct and overlapping debt			<u>\$ 104,343,103</u>

(1) Excludes the amount available for repayment in the Debt Service Fund

(2) The percentage of overlapping debt applicable is estimated using taxable assessed values.

Applicable percentages were estimated by determining the portion of the Town's taxable assessed value that is within the government's boundaries and dividing it by the Town's total taxable assessed value

Source: Town of North Castle and County of Westchester Finance Departments

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

**TOWN OF NORTH CASTLE, NEW YORK**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 296,617,449	\$ 336,599,471	\$ 368,819,521	\$ 396,198,251	\$ 402,921,485	\$ 401,535,118	\$ 390,439,336	\$ 370,623,117	\$ 354,354,021	\$ 350,136,044
Total net debt applicable to limit	<u>8,743,791</u>	<u>12,626,240</u>	<u>12,782,660</u>	<u>16,106,903</u>	<u>15,226,498</u>	<u>17,166,791</u>	<u>15,085,010</u>	<u>7,806,900</u>	<u>7,155,000</u>	<u>4,220,696</u>
Legal debt margin	\$ <u>287,873,658</u>	\$ <u>323,973,231</u>	\$ <u>356,036,861</u>	\$ <u>380,091,348</u>	\$ <u>387,694,987</u>	\$ <u>384,368,327</u>	\$ <u>375,354,326</u>	\$ <u>362,816,217</u>	\$ <u>347,199,021</u>	\$ <u>345,915,348</u>
Total net debt applicable to the limit as a percentage of de	2.95%	3.75%	3.47%	4.07%	3.78%	4.28%	3.86%	2.11%	2.02%	1.21%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessment Roll		Budget Year	Assessed Valuation	State Special Equalization Ratio	Full Valuation
Year					
2014		2015	115,645,384	2.25 %	5,139,794,844
2013		2014	115,274,098	2.37 %	4,863,885,992
2012		2013	114,571,703	2.36 %	4,854,733,178
2011		2012	115,033,081	2.24 %	5,135,405,402
2010		2011	115,365,654	2.30 %	5,015,898,000
Total five year valuation					<u>\$25,009,717,416</u>
Five year average full valuation of taxable real property					<u>5,001,943,483</u>
Debt limit - 7% of five year average valuation					<u>350,136,044</u>
Outstanding Town debt:					
Serial bonds					22,986,000
Bond anticipation notes					695,000
					<u>23,681,000</u>
Less:					
Exclusion for water and sewer districts					19,460,304
Net indebtedness subject to debt limit					4,220,696
Net debt contracting margin					\$345,915,348

# TOWN OF NORTH CASTLE, NEW YORK

## DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

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<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Unemployment Rate (3)</u>
2005	10,849	\$ 433,601,983	\$ 39,967	4.00 %
2006	10,849	\$ 459,910,808	\$ 42,392	3.80 %
2007	10,849	\$ 659,499,861	\$ 60,789	3.70 %
2008	10,849	\$ 695,518,541	\$ 64,109	4.80 %
2009	10,849	\$ 875,460,055	\$ 80,695	7.10 %
2010	10,849	\$ 875,460,055	\$ 80,695	7.40 %
2011	11,841 (3)	942,768,579	\$ 79,619	7.10 %
2012	11,841	\$ 983,691,075	\$ 83,075	7.30 %
2013	11,841	\$ 996,858,267	\$ 84,187	6.30 %
2014	11,841	\$ 1,039,367,457	\$ 87,777	5.10 %

(1) Source: U.S. Department of Commerce, Bureau of Census

(2) Source: U.S. Department of Commerce. Per capita income not available for the Town.  
As such, the information reflected represent data for the County.

(3) New York State Department of Labor - Unemployment statistics are not available for the Town.  
As such, the information reflected represent data for the County.

**TOWN OF NORTH CASTLE, NEW YORK**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND 10 YEARS AGO**

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2015

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<u>Employer</u>	<u>Employees</u>	<u>Percent of Total Employment</u>	
IBM	850	14.43	%
Swiss Re Life and Health America	676	11.48	%
Byram Hills School District	509	8.64	%
Breezemont Day Camp	267	4.53	%
Mariani Gardens	250	4.24	%
Car Quest Distributions	150	2.55	%
Cine Magnetics	150	2.55	%
Production Resource Group	150	2.55	%
Grand Lux Realty	100	1.70	%
Heraeus Kulzer	<u>91</u>	<u>1.54</u>	%
Total	<u>3,193</u>	<u>54.21</u>	%

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2005

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<u>Employer</u>	<u>Employees</u>	<u>Percent of Total Employment</u>	
IBM	850	19.79	%
Breezemont Day Camp	264	6.15	%
Swiss Re	176	4.10	%
MBIA	170	3.96	%
Car Quest Distribution	150	3.49	%
Cine Magnetics	150	3.49	%
Fox Meadow Farm	101	2.35	%
Alredo LDC	100	2.33	%
Semi Conductor Packaging	100	2.33	%
Future Stars Day Camp	<u>100</u>	<u>2.33</u>	%
Total	<u>2,161</u>	<u>50.30</u>	%

Source: North Castle Library, Reference USA

(1) 2005 Total employment in Armonk is estimated at 4,296.

(2) 2015 Total employment in Armonk is estimated at 5,890.

**TOWN OF NORTH CASTLE, NEW YORK**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

Function	Full-Time Equivalent Employees as of December 31,									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government	63	62	61	53	51	49	52	53	52	56
Public safety	52	54	52	45	44	39	43	45	45	46
Culture and recreation	69	74	64	65	60	57	46	46	44	49
Home and community services	14	14	13	12	11	11	7	7	7	7
Total	<u>198</u>	<u>204</u>	<u>190</u>	<u>175</u>	<u>166</u>	<u>156</u>	<u>148</u>	<u>151</u>	<u>148</u>	<u>158</u>

Source: Town's Finance Department

**TOWN OF NORTH CASTLE, NEW YORK**

**OPERATING INDICATOR BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>GENERAL GOVERNMENT SUPPORT:</b>										
Building permit issued	597	573	457	457	521	513	579	611	511	670
<b>PUBLIC SAFETY:</b>										
Police -										
Physical arrests	215	244	218	152	135	127	98	153	112	102
Parking violations	1,126	1,236	936	798	873	587	395	384	669	484
Traffic violations	1,176	1,716	1,643	984	1,085	752	956	1505	720	855
<b>CULTURE AND RECREATION:</b>										
Recreation -										
Adult programs	24	28	30	30	26	110	53	51	54	47
Children's programs	56	65	70	70	60	142	153	160	168	146
Camp	9	10	10	9	10	13	17	14	14	8
Senior citizen's programs	2	3	3	7	2	5	2	6	8	8
Pre-school classes	14	17	17	17	15	45	28	31	33	46
Special events	3	4	4	3	3	3	3	3	3	3
Library -										
Volumes in collections	81,859	87,578	82,266	87,000	86,661	85,947	84,692	108,265	138,714	102,284
Circulation	196,902	186,000	203,370	205,000	198,000	195,000	178,000	137,785	143,336	153,235
<b>HOME AND COMMUNITY SERVICES:</b>										
Water district No. 1 -										
Average daily consumption	370,819	366,025	364,348	394,240	467,738	451,900	335,100	352,100	327,443	322,013
Peak daily consumption	440,170	418,760	532,679	487,750	552,976	634,000	441,968	428,000	418,000	412,782
Water district No. 2 -										
Average daily consumption	137,260	166,314	161,750	129,384	159,290	137,000	168,798	159,288	205,525	225,450
Peak daily consumption	195,543	273,157	333,080	248,672	368,000	350,000	364,832	357,714	382,804	364,860
Water district No. 4 -										
Average daily consumption	355,971	377,677	363,235	311,309	362,259	334,000	357,400	348,000	369,359	386,404
Peak daily consumption	605,999	580,051	607,480	511,872	707,444	673,000	670,400	622,744	653,000	639,916
Water district No. 5 -										
Average daily consumption	68,421	95,824	76,812	57,487	82,232	58,800	54,530	59,457	58,090	74,454
Peak daily consumption	122,183	153,709	163,400	133,350	235,240	157,600	170,600	150,100	131,070	153,900

Source: Various Town's Departments

**TOWN OF NORTH CASTLE, NEW YORK**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>GENERAL GOVERNMENT SUPPORT:</b>										
Number of general government buildings	5	5	5	5	5	5	5	5	5	5
<b>PUBLIC SAFETY:</b>										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	21	21	21	19	20	20	20	20	18	18
<b>TRANSPORTATION:</b>										
Miles of streets	93	94	98	98	94	94	94	94	94	94
Number of street lights	606	607	607	607	659	659	659	659	659	659
Number of traffic lights	1	1	1	1	1	1	1	1	1	1
<b>CULTURE AND RECREATION:</b>										
Number of community centers	3	3	3	2	3	3	3	2	2	2
Number of parks/playgrounds	8	8	8	8	12	12	12	12	12	12
Acres of parks	343	343	343	343	341	341	341	341	341	341
Baseball/softball diamonds	10	10	10	10	10	10	10	10	10	10
Outdoor tennis courts	9	9	9	10	9	10	10	10	10	10
Soccer fields	5	5	5	5	5	5	5	5	5	5
Nature trails	1	1	1	1	1	1	1	1	1	1
Picnic areas	2	2	2	2	2	2	2	2	2	2
Libraries	2	2	2	2	2	2	2	2	2	2
<b>HOME AND COMMUNITY SERVICES:</b>										
Miles of water mains	31	32	31	32	31	31	31	31	31	32
Fire hydrants	270	276	278	278	278	278	282	282	282	303
Miles of sanitary sewers	21	22	22	23	23	23	23	23	23	23

Source: Various Town's Departments