

TOWN OF NORTH EAST, NEW YORK

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

DECEMBER 31, 2017

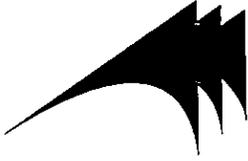
TOWN OF NORTH EAST, NEW YORK

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

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

INDEPENDENT ACCOUNTANT'S DISCLAIMER

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

The accompanying financial statements of the Town of North East as of and for the year ended December 31, 2017, which collectively comprise the Town's financial report update document included in the accompanying prescribed form, were not subjected to an audit, review, or compilation engagement by us. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

*Sunder D. Allen & Churchill CPA's P.C.*

Hudson, New York  
 February 16, 2018

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

**ANNUAL FINANCIAL REPORT**

**UPDATE DOCUMENT**

For The

TOWN of North East

County of Dutchess

For the Fiscal Year Ended 12/31/2017

\*\*\*\*\*

**AUTHORIZATION**

**ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:**

1. **\*\*\*Every Municipal Corporation \*\*\* shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation \*\*\***

5. **All reports shall be certified by the officer making the same and shall be filed with the Comptroller \*\*\* It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report \*\*\***

State of NEW YORK  
Office of The State Comptroller  
Division of Local Government and School Accountability  
Albany, New York 12236

TOWN OF North East

\*\*\* FINANCIAL SECTION \*\*\*

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2016 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2017:

- (A) GENERAL
- (B) GENERAL TOWN-OUTSIDE VG
- (CD) SPECIAL GRANT
- (CM) MISCELLANEOUS SPECIAL REV
- (DB) HIGHWAY-PART-TOWN
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (SW) WATER
- (TA) AGENCY
- (TE) PRIVATE PURPOSE TRUST
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2016 represent data filed by your government with OSC as reviewed and adjusted where necessary.

\*\*\* SUPPLEMENTAL SECTION \*\*\*

The Supplemental Section includes the following sections:

- 1) Statement of Indebtedness
- 2) Schedule of Time Deposits and Investments
- 3) Bank Reconciliation
- 4) Local Government Questionnaire
- 5) Schedule of Employee and Retiree Benefits
- 6) Schedule of Energy Costs and Consumption
- 7) Schedule of Other Post Employment Benefits (OPEB)

All numbers in this report will be rounded to the nearest dollar.

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	864,496	A200	984,187
Petty Cash	100	A210	
<b>TOTAL Cash</b>	<b>864,596</b>		<b>984,187</b>
Accounts Receivable		A380	4,000
<b>TOTAL Other Receivables (net)</b>	<b>0</b>		<b>4,000</b>
Cash Special Reserves	9,644	A230	11,873
<b>TOTAL Restricted Assets</b>	<b>9,644</b>		<b>11,873</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>874,240</b>		<b>1,000,060</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	13,719	A600	25,381
<b>TOTAL Accounts Payable</b>	<b>13,719</b>		<b>25,381</b>
<b>TOTAL Liabilities</b>	<b>13,719</b>		<b>25,381</b>
<b>Fund Balance</b>			
Unemployment Insurance Reserve	9,644	A815	10,000
<b>TOTAL Restricted Fund Balance</b>	<b>9,644</b>		<b>10,000</b>
Assigned Appropriated Fund Balance	103,000	A914	150,000
<b>TOTAL Assigned Fund Balance</b>	<b>103,000</b>		<b>150,000</b>
Unassigned Fund Balance	747,877	A917	814,679
<b>TOTAL Unassigned Fund Balance</b>	<b>747,877</b>		<b>814,679</b>
<b>TOTAL Fund Balance</b>	<b>860,521</b>		<b>974,679</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>874,240</b>		<b>1,000,060</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Real Property Taxes	866,596	A1001	956,704
<b>TOTAL Real Property Taxes</b>	<b>866,596</b>		<b>956,704</b>
Interest & Penalties On Real Prop Taxes	12,270	A1090	9,706
<b>TOTAL Real Property Tax Items</b>	<b>12,270</b>		<b>9,706</b>
Franchises	24,431	A1170	25,476
<b>TOTAL Non Property Tax Items</b>	<b>24,431</b>		<b>25,476</b>
Clerk Fees	1,591	A1255	2,605
Public Pound Charges, Dog Control Fees	687	A1550	425
<b>TOTAL Departmental Income</b>	<b>2,278</b>		<b>3,030</b>
Interest And Earnings	2,176	A2401	8,393
<b>TOTAL Use of Money And Property</b>	<b>2,176</b>		<b>8,393</b>
Dog Licenses	2,843	A2544	4,390
Licenses, Other	368	A2545	245
Permits, Other	700	A2590	700
<b>TOTAL Licenses And Permits</b>	<b>3,911</b>		<b>5,335</b>
Fines And Forfeited Bail	26,906	A2610	26,113
<b>TOTAL Fines And Forfeitures</b>	<b>26,906</b>		<b>26,113</b>
Unclassified (specify)	631	A2770	2,023
<b>TOTAL Miscellaneous Local Sources</b>	<b>631</b>		<b>2,023</b>
St Aid, Revenue Sharing	11,220	A3001	11,220
St Aid, Mortgage Tax	46,260	A3005	76,314
St Aid - Other (specify)		A3089	20,010
<b>TOTAL State Aid</b>	<b>57,480</b>		<b>107,544</b>
<b>TOTAL Revenues</b>	<b>996,679</b>		<b>1,144,324</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>996,679</b>		<b>1,144,324</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	Edp Code	2017
<b>Expenditures</b>			
Legislative Board, Pers Serv	19,600	A10101	19,600
Legislative Board, Contr Expend	730	A10104	1,230
<b>TOTAL Legislative Board</b>	<b>20,330</b>		<b>20,830</b>
Municipal Court, Pers Serv	51,488	A11101	54,415
Municipal Court, Contr Expend	9,650	A11104	7,545
<b>TOTAL Municipal Court</b>	<b>61,138</b>		<b>61,960</b>
Supervisor, pers Serv	72,954	A12201	74,526
Supervisor, contr Expend	11,758	A12204	12,491
<b>TOTAL Supervisor</b>	<b>84,712</b>		<b>87,017</b>
Auditor, Contr Expend		A13204	
<b>TOTAL Auditor</b>	<b>0</b>		<b>0</b>
Tax Collection, contr Expend	12,571	A13304	7,473
<b>TOTAL Tax Collection</b>	<b>12,571</b>		<b>7,473</b>
Assessment, Pers Serv	44,956	A13551	45,920
Assessment, Contr Expend	4,639	A13554	4,542
<b>TOTAL Assessment</b>	<b>49,595</b>		<b>50,462</b>
Clerk, pers Serv	48,103	A14101	49,509
Clerk, equip & Cap Outlay		A14102	1,000
Clerk, contr Expend	3,727	A14104	4,705
<b>TOTAL Clerk</b>	<b>51,830</b>		<b>55,214</b>
Law, Contr Expend	30,674	A14204	35,337
<b>TOTAL Law</b>	<b>30,674</b>		<b>35,337</b>
Personnel, Contr Expend	2,073	A14304	4,380
<b>TOTAL Personnel</b>	<b>2,073</b>		<b>4,380</b>
Engineer, Contr Expend	17,959	A14404	31,226
<b>TOTAL Engineer</b>	<b>17,959</b>		<b>31,226</b>
Records Mgmt, PerS. Serv.		A14601	3,414
Records Mgmt, Contr Expend	8,385	A14604	6,921
<b>TOTAL Records Mgmt</b>	<b>8,385</b>		<b>10,335</b>
Buildings, Pers Serv	3,983	A16201	5,612
Buildings, Equip & Cap Outlay	141	A16202	692
Buildings, Contr Expend	11,110	A16204	12,657
<b>TOTAL Buildings</b>	<b>15,234</b>		<b>18,961</b>
Central Comm System, Contr Expend	5,667	A16504	5,772
<b>TOTAL Central Comm System</b>	<b>5,667</b>		<b>5,772</b>
Central Print & Mail, contr Expend	8,748	A16704	5,708
<b>TOTAL Central Print &amp; Mail</b>	<b>8,748</b>		<b>5,708</b>
Central Data Process, Pers Serv		A16801	191
Central Data Process & Cap Outlay	685	A16802	135
Central Data Process, Contr Expend	3,273	A16804	2,598
<b>TOTAL Central Data Process</b>	<b>3,958</b>		<b>2,924</b>
Unallocated Insurance, Contr Expend	28,423	A19104	30,295
<b>TOTAL Unallocated Insurance</b>	<b>28,423</b>		<b>30,295</b>
Municipal Assn Dues, Contr Expend	900	A19204	900
<b>TOTAL Municipal Assn Dues</b>	<b>900</b>		<b>900</b>

TOWN OF North East  
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(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Other Gen Govt Support, Contr Expend	2,498	A19894	0
<b>TOTAL Other Gen Govt Support</b>	<b>2,498</b>		<b>0</b>
<b>TOTAL General Government Support</b>	<b>404,695</b>		<b>428,794</b>
Traffic Control, Contr Expen	1,114	A33104	1,666
<b>TOTAL Traffic Control</b>	<b>1,114</b>		<b>1,666</b>
Control of Animals, Pers Serv	3,534	A35101	4,235
Control of Animals, Contr Expend	1,976	A35104	1,974
<b>TOTAL Control of Animals</b>	<b>5,510</b>		<b>6,209</b>
<b>TOTAL Public Safety</b>	<b>6,624</b>		<b>7,875</b>
Ambulance, Contr Expend	180,000	A45404	260,000
<b>TOTAL Ambulance</b>	<b>180,000</b>		<b>260,000</b>
<b>TOTAL Health</b>	<b>180,000</b>		<b>260,000</b>
Street Admin, Pers Serv	53,203	A50101	54,800
Street Admin, Contr Expend	1,138	A50104	1,053
<b>TOTAL Street Admin</b>	<b>54,341</b>		<b>55,853</b>
Garage, Contr Expend	23,974	A51324	51,241
<b>TOTAL Garage</b>	<b>23,974</b>		<b>51,241</b>
Street Lighting, Contr Expend	465	A51824	488
<b>TOTAL Street Lighting</b>	<b>465</b>		<b>488</b>
<b>TOTAL Transportation</b>	<b>78,780</b>		<b>107,582</b>
Community Action, Contr Expend	1,000	A63104	1,000
<b>TOTAL Community Action</b>	<b>1,000</b>		<b>1,000</b>
Veterans Service, Contr Expend	1,000	A65104	1,000
<b>TOTAL Veterans Service</b>	<b>1,000</b>		<b>1,000</b>
Programs For Aging, Contr Expend	214	A67724	282
<b>TOTAL Programs For Aging</b>	<b>214</b>		<b>282</b>
<b>TOTAL Economic Assistance And Opportunity</b>	<b>2,214</b>		<b>2,282</b>
Library, Contr Expend	125,000	A74104	125,000
<b>TOTAL Library</b>	<b>125,000</b>		<b>125,000</b>
<b>TOTAL Culture And Recreation</b>	<b>125,000</b>		<b>125,000</b>
Environmental Control, Contr Expend		A80904	52
<b>TOTAL Environmental Control</b>	<b>0</b>		<b>52</b>
Refuse & Garbage, Pers Serv	654	A81601	480
Refuse & Garbage, Contr Expend	2,129	A81604	1,125
<b>TOTAL Refuse &amp; Garbage</b>	<b>2,783</b>		<b>1,605</b>
Acquisition of Real Prop, Equip & Cap Outla		A86602	6,687
<b>TOTAL Acquisition of Real Prop</b>	<b>0</b>		<b>6,687</b>
Cemetery, Pers Serv	3,104	A88101	4,589
Cemetery, Contr Expend		A88104	12
<b>TOTAL Cemetery</b>	<b>3,104</b>		<b>4,601</b>
<b>TOTAL Home And Community Services</b>	<b>5,887</b>		<b>12,945</b>
State Retirement System	28,983	A90108	29,759
Social Security, Employer Cont	23,071	A90308	24,273
Worker's Compensation, Empl Bnfts	7,528	A90408	6,836

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Unemployment Insurance, Empl Bnfts		A90508	2,396
Disability Insurance, Empl Bnfts	128	A90558	128
Hospital & Medical (dental) Ins, Empl Bnft	11,403	A90608	22,296
<b>TOTAL Employee Benefits</b>	<b>71,113</b>		<b>85,680</b>
<b>TOTAL Expenditures</b>	<b>874,313</b>		<b>1,030,166</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>874,313</b>		<b>1,030,166</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	738,155	A8021	860,521
Restated Fund Balance - Beg of Year	738,155	A8022	860,521
ADD - REVENUES AND OTHER SOURCES	996,679		1,144,324
DEDUCT - EXPENDITURES AND OTHER USES	874,313		1,030,166
Fund Balance - End of Year	860,521	A8029	974,679

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	956,704	A1049N	1,053,066
Est Rev - Real Property Tax Items	7,500	A1099N	7,500
Est Rev - Non Property Tax Items	21,000	A1199N	21,000
Est Rev - Departmental Income	1,050	A1299N	1,150
Est Rev - Use of Money And Property	1,700	A2499N	2,500
Est Rev - Licenses And Permits	3,650	A2599N	3,800
Est Rev - Fines And Forfeitures	22,000	A2649N	22,000
Est Rev - Sale of Prop And Comp For Loss	0	A2699N	
Est Rev - State Aid	46,000	A3099N	50,000
<b>TOTAL Estimated Revenues</b>	<b>1,059,604</b>		<b>1,161,016</b>
Appropriated Fund Balance	103,000	A599N	150,000
<b>TOTAL Estimated Other Sources</b>	<b>103,000</b>		<b>150,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>1,162,604</b>		<b>1,311,016</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
<b>Appropriations</b>			
App - General Government Support	500,880	A1999N	526,605
App - Public Safety	8,985	A3999N	9,420
App - Health	260,000	A4999N	310,000
App - Transportation	82,800	A5999N	119,545
App - Economic Assistance And Opportunity	2,200	A6999N	2,200
App - Culture And Recreation	125,000	A7999N	125,000
App - Home And Community Services	19,006	A8999N	19,237
App - Employee Benefits	103,733	A9199N	109,009
<b>TOTAL Appropriations</b>	<b>1,102,604</b>		<b>1,221,016</b>
App - Interfund Transfer	60,000	A9999N	90,000
<b>TOTAL Other Uses</b>	<b>60,000</b>		<b>90,000</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>1,162,604</b>		<b>1,311,016</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	520,667	B200	528,721
<b>TOTAL Cash</b>	<b>520,667</b>		<b>528,721</b>
Accounts Receivable		B380	
<b>TOTAL Other Receivables (net)</b>	<b>0</b>		<b>0</b>
Due From Other Governments	29,852	B440	29,716
<b>TOTAL Due From Other Governments</b>	<b>29,852</b>		<b>29,716</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>550,519</b>		<b>558,437</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	5,426	B600	8,166
<b>TOTAL Accounts Payable</b>	<b>5,426</b>		<b>8,166</b>
<b>TOTAL Liabilities</b>	<b>5,426</b>		<b>8,166</b>
<b>Fund Balance</b>			
Assigned Appropriated Fund Balance	73,000	B914	106,000
Assigned Unappropriated Fund Balance	472,093	B915	444,271
<b>TOTAL Assigned Fund Balance</b>	<b>545,093</b>		<b>550,271</b>
<b>TOTAL Fund Balance</b>	<b>545,093</b>		<b>550,271</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>550,519</b>		<b>558,437</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Real Property Taxes	58,141	B1001	58,966
<b>TOTAL Real Property Taxes</b>	<b>58,141</b>		<b>58,966</b>
Sales Tax (from County)	131,022	B1120	135,859
<b>TOTAL Non Property Tax Items</b>	<b>131,022</b>		<b>135,859</b>
Safety Inspection Fees	31,054	B1560	23,626
Zoning Fees	1,225	B2110	1,525
Planning Board Fees	1,425	B2115	1,700
<b>TOTAL Departmental Income</b>	<b>33,704</b>		<b>26,851</b>
Interest And Earnings	1,160	B2401	3,585
<b>TOTAL Use of Money And Property</b>	<b>1,160</b>		<b>3,585</b>
<b>TOTAL Revenues</b>	<b>224,027</b>		<b>225,261</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>224,027</b>		<b>225,261</b>

TOWN OF North East  
Annual Update Document  
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(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Police, Contr Expend	22,500	B31204	24,500
<b>TOTAL Police</b>	<b>22,500</b>		<b>24,500</b>
Safety Inspection, Pers Serv	40,716	B36201	42,522
Safety Inspection, Contr Expend	3,807	B36204	2,973
<b>TOTAL Safety Inspection</b>	<b>44,523</b>		<b>45,495</b>
<b>TOTAL Public Safety</b>	<b>67,023</b>		<b>69,995</b>
Registrar of Vital Statistics, Pers Serv	510	B40201	510
Registrar of Vital Stat Contr Expend		B40204	1,294
<b>TOTAL Registrar of Vital Stat Contr Expend</b>	<b>510</b>		<b>1,804</b>
<b>TOTAL Health</b>	<b>510</b>		<b>1,804</b>
Youth Prog, Contr Expend	41,350	B73104	41,250
<b>TOTAL Youth Prog</b>	<b>41,350</b>		<b>41,250</b>
<b>TOTAL Culture And Recreation</b>	<b>41,350</b>		<b>41,250</b>
Zoning, Pers Serv	15,320	B80101	6,779
Zoning, Contr Expend	2,919	B80104	6,678
<b>TOTAL Zoning</b>	<b>18,239</b>		<b>13,457</b>
Planning, Pers Serv	5,912	B80201	5,686
Planning, Contr Expend	5,390	B80204	5,603
<b>TOTAL Planning</b>	<b>11,302</b>		<b>11,289</b>
Comm Beautification, Contr Expend	500	B85104	500
<b>TOTAL Comm Beautification</b>	<b>500</b>		<b>500</b>
<b>TOTAL Home And Community Services</b>	<b>30,041</b>		<b>25,246</b>
State Retirement, Empl Bnfts	6,783	B90108	6,965
Social Security, Empl Bnfts	4,778	B90308	4,246
Worker's Compensation, Empl Bnfts	2,623	B90408	2,279
Hospital & Medical (dental) Ins, Empl Bnft	3,259	B90608	3,298
<b>TOTAL Employee Benefits</b>	<b>17,443</b>		<b>16,788</b>
<b>TOTAL Expenditures</b>	<b>156,367</b>		<b>155,083</b>
Transfers, Other Funds	116,000	B99019	65,000
<b>TOTAL Operating Transfers</b>	<b>116,000</b>		<b>65,000</b>
<b>TOTAL Other Uses</b>	<b>116,000</b>		<b>65,000</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>272,367</b>		<b>220,083</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(B) GENERAL TOWN-OUTSIDE VG

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	593,433	B8021	545,093
Restated Fund Balance - Beg of Year	593,433	B8022	545,093
ADD - REVENUES AND OTHER SOURCES	224,027		225,261
DEDUCT - EXPENDITURES AND OTHER USES	272,367		220,083
Fund Balance - End of Year	545,093	B8029	550,271

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2017	EdpCode	2018
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	58,966	B1049N	60,301
Est Rev - Non Property Tax Items	110,000	B1199N	110,000
Est Rev - Departmental Income	18,250	B1299N	19,450
Est Rev - Use of Money And Property	1,000	B2499N	1,200
<b>TOTAL Estimated Revenues</b>	<b>188,216</b>		<b>190,951</b>
Appropriated Fund Balance	73,000	B599N	106,000
<b>TOTAL Estimated Other Sources</b>	<b>73,000</b>		<b>106,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>261,216</b>		<b>296,951</b>

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(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2017	EdpCode	2018
<b>Appropriations</b>			
App - General Government Support	12,188	B1999N	12,000
App - Public Safety	73,946	B3999N	75,310
App - Health	510	B4999N	510
App - Culture And Recreation	41,250	B7999N	41,250
App - Home And Community Services	49,222	B8999N	55,334
App - Employee Benefits	19,100	B9199N	19,547
<b>TOTAL Appropriations</b>	<b>196,216</b>		<b>203,951</b>
App - Interfund Transfer	65,000	B9999N	93,000
<b>TOTAL Other Uses</b>	<b>65,000</b>		<b>93,000</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>261,216</b>		<b>296,951</b>

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(CD) SPECIAL GRANT

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Due From Other Funds	147	CD391	147
<b>TOTAL Due From Other Funds</b>	<b>147</b>		<b>147</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>147</b>		<b>147</b>

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(CD) SPECIAL GRANT

Balance Sheet

Code Description	2016	EdpCode	2017
Due To Other Funds		CD630	
<b>TOTAL Due To Other Funds</b>	<b>0</b>		<b>0</b>
<b>TOTAL Liabilities</b>	<b>0</b>		<b>0</b>
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	147	CD915	147
<b>TOTAL Assigned Fund Balance</b>	<b>147</b>		<b>147</b>
<b>TOTAL Fund Balance</b>	<b>147</b>		<b>147</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>147</b>		<b>147</b>

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(CD) SPECIAL GRANT

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Grants From Local Governments		CD2706	
<b>TOTAL Miscellaneous Local Sources</b>	<b>0</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>0</b>		<b>0</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>0</b>		<b>0</b>

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(CD) SPECIAL GRANT

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Acquisition of Real Prop, Equip& Cap Outla		CD86602	
<b>TOTAL Acquisition of Real Prop</b>	0		0
<b>TOTAL Home And Community Services</b>	0		0
<b>TOTAL Expenditures</b>	0		0
<b>TOTAL Defail Expenditures And Other Uses</b>	0		0

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(CD) SPECIAL GRANT

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	147	CD8021	147
<b>Restated Fund Balance - Beg of Year</b>	147	CD8022	147
ADD - REVENUES AND OTHER SOURCES			
DEDUCT - EXPENDITURES AND OTHER USES			
<b>Fund Balance - End of Year</b>	147	CD8029	147

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(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	49,449	CM200	50,559
<b>TOTAL Cash</b>	<b>49,449</b>		<b>50,559</b>
<b>TOTAL Assets and Deferred Outflows of Resources:</b>	<b>49,449</b>		<b>50,559</b>

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(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	49,449	CM915	50,559
<b>TOTAL Assigned Fund Balance</b>	<b>49,449</b>		<b>50,559</b>
<b>TOTAL Fund Balance</b>	<b>49,449</b>		<b>50,559</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>49,449</b>		<b>50,559</b>

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(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Other Home & Community Service Income	600	CM2189	900
<b>TOTAL Departmental Income</b>	<b>600</b>		<b>900</b>
Interest And Earnings	74	CM2401	210
<b>TOTAL Use of Money And Property</b>	<b>74</b>		<b>210</b>
<b>TOTAL Revenues</b>	<b>674</b>		<b>1,110</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>674</b>		<b>1,110</b>

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Results of Operation

Code Description	2016	EdpCode	2017
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(CM) MISCELLANEOUS SPECIAL REV

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	48,775	CM8021	49,449
Restated Fund Balance - Beg of Year	48,775	CM8022	49,449
ADD - REVENUES AND OTHER SOURCES	674		1,110
<b>Fund Balance - End of Year</b>	<b>49,449</b>	CM8029	<b>50,559</b>

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(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	521,668	DB200	435,976
<b>TOTAL Cash</b>	<b>521,668</b>		<b>435,976</b>
Accounts Receivable	23,544	DB380	253,303
<b>TOTAL Other Receivables (net)</b>	<b>23,544</b>		<b>253,303</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>545,212</b>		<b>689,279</b>

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(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	32,533	DB600	179,170
<b>TOTAL Accounts Payable</b>	<b>32,533</b>		<b>179,170</b>
Due To Other Funds	147	DB630	147
<b>TOTAL Due To Other Funds</b>	<b>147</b>		<b>147</b>
<b>TOTAL Liabilities</b>	<b>32,680</b>		<b>179,317</b>
<b>Fund Balance</b>			
Assigned Appropriated Fund Balance	53,000	DB914	120,000
Assigned Unappropriated Fund Balance	459,532	DB915	389,961
<b>TOTAL Assigned Fund Balance</b>	<b>512,532</b>		<b>509,961</b>
<b>TOTAL Fund Balance</b>	<b>512,532</b>		<b>509,961</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>545,212</b>		<b>689,278</b>

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(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Real Property Taxes	784,964	DB1001	794,858
<b>TOTAL Real Property Taxes</b>	<b>784,964</b>		<b>794,858</b>
Snow Removal Services-Other Govts	23,533	DB2302	24,531
<b>TOTAL Intergovernmental Charges</b>	<b>23,533</b>		<b>24,531</b>
Interest And Earnings	1,632	DB2401	5,528
<b>TOTAL Use of Money And Property</b>	<b>1,632</b>		<b>5,528</b>
Sales of Equipment	25,000	DB2665	6,122
<b>TOTAL Sale of Property And Compensation For Loss</b>	<b>25,000</b>		<b>6,122</b>
St Aid, Other Aid (specify)		DB3089	50,000
St Aid, Consolidated Highway Aid	19,233	DB3501	203,303
<b>TOTAL State Aid</b>	<b>19,233</b>		<b>253,303</b>
<b>TOTAL Revenues</b>	<b>854,362</b>		<b>1,084,342</b>
Interfund Transfers	116,000	DB5031	65,000
<b>TOTAL Interfund Transfers</b>	<b>116,000</b>		<b>65,000</b>
<b>TOTAL Other Sources</b>	<b>116,000</b>		<b>65,000</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>970,362</b>		<b>1,149,342</b>

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(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Maint of Streets, Pers Serv	56,301	DB51101	52,924
Maint of Streets, Contr Expend	191,951	DB51104	202,554
<b>TOTAL Maint of Streets</b>	<b>248,252</b>		<b>255,478</b>
Perm Improve Highway, Contr Expend	62,977	DB51124	119,046
<b>TOTAL Perm Improve Highway</b>	<b>62,977</b>		<b>119,046</b>
Machinery, Pers Serv	58,708	DB51301	73,761
Machinery, Equip & Cap Outlay	103,626	DB51302	173,691
Machinery, Contr Expend	84,025	DB51304	98,248
<b>TOTAL Machinery</b>	<b>246,359</b>		<b>345,700</b>
Brush And Weeds, Pers Serv	35,843	DB51401	26,959
Brush And Weeds, Contr Expend	38,999	DB51404	40,833
<b>TOTAL Brush And Weeds</b>	<b>74,842</b>		<b>67,792</b>
Snow Removal, Pers Serv	52,351	DB51421	72,694
Snow Removal, Equip & Cap Outlay	1,251	DB51422	8,307
Snow Removal, Contr Expend	73,979	DB51424	93,068
<b>TOTAL Snow Removal</b>	<b>127,581</b>		<b>174,069</b>
<b>TOTAL Transportation</b>	<b>760,011</b>		<b>962,085</b>
State Retirement, Empl Bnfts	25,900	DB90108	26,594
Social Security, Empl Bnfts	15,564	DB90308	17,315
Worker's Compensation, Empl Bnfts	33,096	DB90408	28,864
Disability Insurance, Empl Bnfts	554	DB90558	554
Hospital & Medical (dental) Ins, Empl Bnft	37,345	DB90608	51,769
<b>TOTAL Employee Benefits</b>	<b>112,459</b>		<b>125,096</b>
Debt Principal, Installment Bonds	41,667	DB97206	61,667
<b>TOTAL Debt Principal</b>	<b>41,667</b>		<b>61,667</b>
Debt Interest, Installment Bonds	1,988	DB97207	3,065
<b>TOTAL Debt Interest</b>	<b>1,988</b>		<b>3,065</b>
<b>TOTAL Expenditures</b>	<b>916,125</b>		<b>1,151,913</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>916,125</b>		<b>1,151,913</b>

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(DB) HIGHWAY-PART-TOWN

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	458,295	DB8021	512,532
Restated Fund Balance - Beg of Year	458,295	DB8022	512,532
ADD - REVENUES AND OTHER SOURCES	970,362		1,149,342
DEDUCT - EXPENDITURES AND OTHER USES	916,125		1,151,913
Fund Balance - End of Year	512,532	DB8029	509,961

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(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2017	EdpCode	2018
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	794,858	DB1049N	813,707
Est Rev - Intergovernmental Charges	20,000	DB2399N	0
Est Rev - Use of Money And Property	1,200	DB2499N	2,000
<b>TOTAL Estimated Revenues</b>	<b>816,058</b>		<b>815,707</b>
Estimated - Interfund Transfer	65,000	DB5031N	93,000
Appropriated Fund Balance	53,000	DB599N	120,000
<b>TOTAL Estimated Other Sources</b>	<b>118,000</b>		<b>213,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>934,058</b>		<b>1,028,707</b>

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(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2017	EdpCode	2018
<b>Appropriations</b>			
App - Transportation	724,300	DB5999N	783,272
App - Employee Benefits	152,766	DB9199N	159,693
App - Debt Service	42,992	DB9899N	63,742
<b>TOTAL Appropriations</b>	<b>920,058</b>		<b>1,006,707</b>
App - Interfund Transfer	14,000	DB9999N	22,000
<b>TOTAL Other Uses</b>	<b>14,000</b>		<b>22,000</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>934,058</b>		<b>1,028,707</b>

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(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	8,475	H200	8,497
<b>TOTAL Cash</b>	<b>8,475</b>		<b>8,497</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>8,475</b>		<b>8,497</b>

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(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	8,475	H915	8,497
<b>TOTAL Assigned Fund Balance</b>	<b>8,475</b>		<b>8,497</b>
<b>TOTAL Fund Balance</b>	<b>8,475</b>		<b>8,497</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>8,475</b>		<b>8,497</b>

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(H) CAPITAL PROJECTS

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Interest And Earnings	23	H2401	22
<b>TOTAL Use of Money And Property</b>	<b>23</b>		<b>22</b>
<b>TOTAL Revenues</b>	<b>23</b>		<b>22</b>
Statutory Installment Bonds	100,000	H5720	
<b>TOTAL Proceeds of Obligations</b>	<b>100,000</b>		<b>0</b>
<b>TOTAL Other Sources</b>	<b>100,000</b>		<b>0</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>100,023</b>		<b>22</b>

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(H) CAPITAL PROJECTS

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Machinery, Equip & Cap Outlay	100,000	H51302	
<b>TOTAL Machinery</b>	<b>100,000</b>		<b>0</b>
<b>TOTAL Transportation</b>	<b>100,000</b>		<b>0</b>
<b>TOTAL Expenditures</b>	<b>100,000</b>		<b>0</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>100,000</b>		<b>0</b>

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(H) CAPITAL PROJECTS

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	8,452	H8021	8,475
Restated Fund Balance - Beg of Year	8,452	H8022	8,475
ADD - REVENUES AND OTHER SOURCES	100,023		22
DEDUCT - EXPENDITURES AND OTHER USES	100,000		
Fund Balance - End of Year	8,475	H8029	8,497

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(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Land	52,800	K101	52,800
Buildings	200,954	K102	200,954
Machinery And Equipment	1,381,818	K104	1,545,993
<b>TOTAL Fixed Assets (net)</b>	<b>1,635,572</b>		<b>1,799,747</b>
Deferred Outflows of Resources - Pensions	328,784	K496	
<b>TOTAL Deferred Outflows of Resources</b>	<b>328,784</b>		<b>0</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>1,964,356</b>		<b>1,799,747</b>

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(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Liabilities, Deferred Inflows And Fund Balance</b>			
Total Non-Current Govt Assets	1,964,356	K159	1,799,747
<b>TOTAL Investments in Non-Current Government Assets</b>	<b>1,964,356</b>		<b>1,799,747</b>
<b>TOTAL Fund Balance:</b>	<b>1,964,356</b>		<b>1,799,747</b>
<b>TOTAL</b>	<b>1,964,356</b>		<b>1,799,747</b>

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(SW) WATER

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	33,486	SW200	33,657
<b>TOTAL Cash</b>	<b>33,486</b>		<b>33,657</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>33,486</b>		<b>33,657</b>

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(SW) WATER

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	33,486	SW915	33,657
<b>TOTAL Assigned Fund Balance</b>	<b>33,486</b>		<b>33,657</b>
<b>TOTAL Fund Balance</b>	<b>33,486</b>		<b>33,657</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>33,486</b>		<b>33,657</b>

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(SW) WATER

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Real Property Taxes	46,114	SW1001	45,831
<b>TOTAL Real Property Taxes</b>	<b>46,114</b>		<b>45,831</b>
Interest And Earnings	79	SW2401	199
<b>TOTAL Use of Money And Property</b>	<b>79</b>		<b>199</b>
<b>TOTAL Revenues</b>	<b>46,193</b>		<b>46,030</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>46,193</b>		<b>46,030</b>

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(SW) WATER

Results of Operation

Code Description	2016	EdpCode	2017
<b>Expenditures</b>			
Water Administration, Contr Expend	120	SW83104	120
<b>TOTAL Water Administration</b>	<b>120</b>		<b>120</b>
Water Trans & Distrib, Pers Serv	92	SW83401	52
<b>TOTAL Water Trans &amp; Distrib</b>	<b>92</b>		<b>52</b>
Other Water, Contr Expend	6,079	SW83894	7,375
<b>TOTAL Other Water</b>	<b>6,079</b>		<b>7,375</b>
<b>TOTAL Home And Community Services</b>	<b>6,291</b>		<b>7,547</b>
Social Security , Empl Bnfts	7	SW90308	4
<b>TOTAL Employee Benefits</b>	<b>7</b>		<b>4</b>
Debt Principal, Serial Bonds	17,000	SW97106	17,000
<b>TOTAL Debt Principal</b>	<b>17,000</b>		<b>17,000</b>
Debt Interest, Serial Bonds	22,073	SW97107	21,308
<b>TOTAL Debt Interest</b>	<b>22,073</b>		<b>21,308</b>
<b>TOTAL Expenditures</b>	<b>45,371</b>		<b>45,859</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>45,371</b>		<b>45,859</b>

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(SW) WATER

**Analysis of Changes in Fund Balance**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	32,664	SW8021	33,486
Restated Fund Balance - Beg of Year	32,664	SW8022	33,486
ADD - REVENUES AND OTHER SOURCES	46,193		46,030
DEDUCT - EXPENDITURES AND OTHER USES	45,371		45,859
<b>Fund Balance - End of Year</b>	<b>33,486</b>	SW8029	<b>33,657</b>

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(SW) WATER

Budget Summary

Code Description	2017	[EdpCode]	2018
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	39,353	SW1049N	39,565
Est Rev - Use of Money And Property	70	SW2499N	70
<b>TOTAL Estimated Revenues</b>	<b>39,423</b>		<b>39,635</b>
Appropriated Fund Balance	0	SW599N	0
<b>TOTAL Estimated Other Sources</b>	<b>0</b>		<b>0</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>39,423</b>		<b>39,635</b>

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(SW) WATER

Budget Summary

Code Description	2017	EdpCode	2018
<b>Appropriations</b>			
App - Home And Community Services	1,100	SW8999N	1,100
App - Employee Benefits	15	SW9199N	15
App - Debt Service	38,308	SW9899N	38,520
<b>TOTAL Appropriations</b>	<b>39,423</b>		<b>39,635</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>39,423</b>		<b>39,635</b>

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(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	40,755	TA200	43,935
<b>TOTAL Cash</b>	<b>40,755</b>		<b>43,935</b>
Due From Other Funds	5	TA391	
<b>TOTAL Due From Other Funds</b>	<b>5</b>		<b>0</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>40,760</b>		<b>43,935</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
State Retirement	975	TA18	846
Group Insurance	845	TA20	826
Guaranty & Bid Deposits	38,940	TA30	42,263
<b>TOTAL Agency Liabilities</b>	<b>40,760</b>		<b>43,935</b>
<b>TOTAL Liabilities</b>	<b>40,760</b>		<b>43,935</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>40,760</b>		<b>43,935</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Cash	8,974	TE200	8,997
<b>TOTAL Cash</b>	<b>8,974</b>		<b>8,997</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>8,974</b>		<b>8,997</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2016	EdpCode	2017
Fund Balance			
Net Assets-Restricted For Other Purposes	8,974	TE923	8,997
<b>TOTAL Assigned Fund Balance</b>	<b>8,974</b>		<b>8,997</b>
<b>TOTAL Fund Balance</b>	<b>8,974</b>		<b>8,997</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>8,974</b>		<b>8,997</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(TE) PRIVATE PURPOSE TRUST

Results of Operation

Code Description	2016	EdpCode	2017
<b>Revenues</b>			
Interest And Earnings	14	TE2401	23
<b>TOTAL: Use of Money And Property</b>	<b>14</b>		<b>23</b>
<b>TOTAL Revenues:</b>	<b>14</b>		<b>23</b>
<b>TOTAL: Detail Revenues And Other Sources</b>	<b>14</b>		<b>23</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

Results of Operation

Code Description	2016	EdpCode	2017
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TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(TE) PRIVATE PURPOSE TRUST

**Analysis of Changes in Net Position**

Code Description	2016	EdpCode	2017
<b>Analysis of Changes in Net Position</b>			
Fund Balance - Beginning of Year	8,960	TE8021	8,974
Restated Fund Balance - Beg of Year	8,960	TE8022	8,974
ADD - REVENUES AND OTHER SOURCES	14		23
Fund Balance - End of Year	8,974	TE8029	8,997

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	EdpCode	2017
<b>Assets</b>			
Total Non-Current Govt Liabilities	1,022,323	W129	746,844
<b>TOTAL Provision To Be Made In Future Budgets</b>	<b>1,022,323</b>		<b>746,844</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>1,022,323</b>		<b>746,844</b>

TOWN OF North East  
Annual Update Document  
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	EdpCode	2017
Net Pension Liability -Proportionate Share	307,783	W638	160,178
<b>TOTAL Other Liabilities</b>	<b>307,783</b>		<b>160,178</b>
Bonds Payable	665,333	W628	586,666
<b>TOTAL Bond And Long Term Liabilities</b>	<b>665,333</b>		<b>586,666</b>
Deferred Inflows of Resources - Pensions	49,207	W697	
<b>TOTAL Deferred Inflows of Resources</b>	<b>49,207</b>		<b>0</b>
<b>TOTAL Liabilities</b>	<b>1,022,323</b>		<b>746,844</b>
<b>TOTAL Liabilities</b>	<b>1,022,323</b>		<b>746,844</b>

TOWN OF North East  
Statement of Indebtedness  
For the Fiscal Year Ending 2017

County of: Dutchess

Municipal Code: 130359300000

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
2000	BOND E	Water Improvements			06/01/1999	06/01/2036	4.50%			\$17,000	\$1,000	\$0	\$15,000		\$31,000
2000	BOND E	Water Improvements			06/01/1999	06/01/2036	4.50%			\$465,000	\$16,000	\$0	(\$15,000)		\$434,000
2015	BOND N	HIGHWAY TRUCK			11/23/2015	11/23/2018	1.59%		\$125,000	\$83,333	\$41,667	\$0	\$0		\$41,666
2016	BOND N	HIGHWAY EQUIPMENT			11/01/2016	11/01/2021	1.74%		\$100,000	\$100,000	\$20,000	\$0	\$0		\$80,000
<b>Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year</b>															
<b>AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year</b>															
										\$665,333	\$78,667	\$0	\$0	\$0	\$586,666

TOWN OF North East  
 Schedule of Time Deposits and Investments  
 For the Fiscal Year Ending 2017

	<u>EDP Code</u>	<u>Amount</u>
<b>CASH:</b>		
On Hand	9Z2001	<u>\$100.00</u>
Demand Deposits	9Z2011	<u>\$2,120,791.00</u>
Time Deposits	9Z2021	
Total		<u>\$2,120,891.00</u>
<b>COLLATERAL:</b>		
- FDIC Insurance	9Z2014	<u>\$250,000.00</u>
Collateralized with securities held in possession of municipality or its agent	9Z2014A	<u>\$1,870,791.00</u>
Total		<u>\$2,120,791.00</u>
<b>INVESTMENTS:</b>		
- Securities (450)		
Book Value (cost)	9Z4501	<u>                    </u>
Market Value at Balance Sheet Date	9Z4502	<u>                    </u>
Collateralized with securities held in possession of municipality or its agent	9Z4504A	<u>                    </u>
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	<u>                    </u>
Market Value at Balance Sheet Date	9Z4512	<u>                    </u>
Collateralized with securities held in possession of municipality or its agent	9Z4514A	<u>                    </u>

TOWN OF North East  
Bank Reconciliation  
For the Fiscal Year Ending 2017

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-2426	\$983,989	\$0	\$0	\$983,989
****-2434	\$528,621	\$0	\$0	\$528,621
****-2442	\$435,876	\$0	\$0	\$435,876
****-2450	\$9,145	\$2,727	\$0	\$11,872
****-2469	\$5,992	\$0	\$0	\$5,992
****-2477	\$33,657	\$0	\$0	\$33,657
****-2493	\$2,505	\$0	\$0	\$2,505
****-2507	\$8,997	\$0	\$0	\$8,997
****-2515	\$50,559	\$0	\$0	\$50,559
****-3910	\$99	\$0	\$0	\$99
****-3937	\$100	\$0	\$0	\$100
****-3945	\$100	\$0	\$0	\$100
****-3961	\$16,861	\$0	\$16,861	\$0
****-3988	\$19,897	\$0	\$0	\$19,897
****-3996	\$2,027	\$0	\$355	\$1,672
****-6589	\$22,366	\$0	\$0	\$22,366
	Total Adjusted Bank Balance			\$2,106,302
	Petty Cash			\$100.00
	Adjustments			\$.00
	Total Cash		9ZCASH *	\$2,106,402
	Total Cash Balance All Funds		9ZCASHB *	\$2,106,402
	* Must be equal			

TOWN OF North East  
Local Government Questionnaire  
For the Fiscal Year Ending 2017

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

TOWN OF North East  
Employee and Retiree Benefits  
For the Fiscal Year Ending 2017

Total Full Time Employees:		7			
Total Part Time Employees:		27			
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System	\$63,318.00	7	10	
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	\$45,839.00	7	27	
90408	Worker's Compensation Insurance	\$37,979.00	7	27	
90458	Life Insurance				
90508	Unemployment Insurance	\$2,396.00		1	
90558	Disability Insurance	\$682.00	7		
90608	Hospital and Medical (Dental) Insurance	\$77,362.00	7	1	1
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
<b>Total</b>		<b>\$227,576.00</b>			
Computed Total From Financial Section (comparative purposes only)		<b>\$227,576.00</b>			

**TOWN OF North East**  
**Energy Costs and Consumption**  
**For the Fiscal Year Ending 2017**

<b>Energy Type</b>	<b>Total Expenditures</b>	<b>Total Volume</b>	<b>Units Of Measure</b>	<b>Alternative Units Of Measure</b>
Gasoline	\$7,613	4,150	gallons	
Diesel Fuel	\$18,987	10,288	gallons	
Fuel Oil	\$6,218	3,342	gallons	
Natural Gas			cubic feet	
Electricity	\$4,733	28,202	kilowatt-hours	
Coal			tons	
Propane			gallons	

TOWN OF North East  
Schedule of Other Post Employment Benefits (OPEB)  
For the Fiscal Year Ending 2017

**Annual OPEB Cost and Net OPEB Obligation**

1. Type of Other Post Employment Benefits Plan
2. Annual Required Contribution(ARC)
3. Interest on Net OPEB Obligation
4. Adjustment to Annual Required Contribution
5. Annual OPEB Expense
6. Less: Actual Contribution Made
7. Increase in Net OPEB Obligation
8. Net OPEB Obligation - beginning of year
9. Net OPEB Obligation - end of year
10. Total Other Post Employment Benefits as reported in Accounts 683 in Financial Section, Current Fiscal Year
11. Percentage of Annual OPEB Cost Contributed (Actual Contribution Made/Annual OPEB Cost)

**Funded Status and Funding Process**

12. Actuarial Accrued Liability(AAL)
13. Less: Actuarial Value of Plan Assets
14. Unfunded Actuarial Accrued Liability(UAAL)
15. Funded Ratio(Actuarial Value of Plan Assets/AAL)
16. Annual Covered Payroll (of active employees covered by the plan)
17. UAAL as Percentage of Annual Covered Payroll

**Other OPEB Information**

18. Date of most recent actuarial valuation
19. Actuarial method used
20. Assumed rate of return on investments discount rate .00%
21. Amortization period of UAAL(in years)

TOWN OF North East  
Financial Comments  
For the Fiscal Year Ending 2017

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The fund financial statements of the Town of North East, New York (Town) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units, to the extent appropriate for the prescribed form. The prescribed form is intended to comply with the requirements of the State of New York Office of State Comptroller, Division of Local Government and School Accountability, Albany, New York, and are not intended to be presented in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Financial Reporting Entity:

The Town is governed by its charter, municipal law and other general laws of the State of New York, and various local laws and ordinances. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of five members (with each member having an equal vote). The Town Supervisor serves as chief executive and fiscal officer of the Town.

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

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

The financial reporting entity consists of (a) the primary government which is the Town of North East, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statements 14, 39, 61, and 80.

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

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

II. Excluded from Reporting Entity:

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

---

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

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

The Town exercises no oversight over the operations of the Joint Fire District of the Town and Village of Millerton. The Town levies and collects real property taxes and turns them over to the fire district. This amounted to \$375,575 and \$373,055 for the years ended December 31, 2017 and 2016, respectively.

B. Fund Accounting:

The Town uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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

I. Fund Categories:

a. Governmental Funds:

Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is based upon determination of financial position and changes in financial position (the sources, uses, and balances of current financial resources).

The following are the Town's governmental fund types.

1. General Fund:

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

2. Special Revenue Funds:

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

---

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

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

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

3. Capital Projects Fund:

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

b. Fiduciary Funds:

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

1. Agency Funds:

Agency Funds are used to account for money (and/or property) received and held in the capacity of trustees, custodians, or agents. These include expendable trusts, non-expendable trusts, and agency funds.

2. Private-Purpose Trust Funds:

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

---

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

II. Account Groups:

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

a. Non-Current Government Assets Account Group:

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

b. Non-Current Government Liability Account Group:

This group of accounts is established to account for all long-term debts and deferred inflows of resources.

C. Basis of Accounting/Measurement Focus:

Basis of accounting refers to when revenues and expenditures/expenses and the related assets, deferred outflows, liabilities, and deferred inflows are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured, i.e. expenditures or expenses.

I. Modified Accrual Basis:

All Governmental Funds and Fiduciary Funds, are accounted for using the modified accrual basis of accounting.

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days of the end of the current fiscal year.

Material revenues that are accrued include real property taxes, state and federal aid, sales tax, and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made, all other grant requirements have been met, and the resources are available.

Expenditures are recorded when the fund liability is incurred except that:

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

II. Account Groups:

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

D. Fund Balances:

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

I. Non-Spendable:

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

II. Restricted:

Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

III. Committed:

Consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The Town has no committed fund balance as of December 31, 2017.

IV. Assigned:

Consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. The Board, by resolution, to adopt the 2018 budget, has authorized the Town Supervisor to assign fund balance. Appropriated fund balance is reported in the various funds as follows: General Fund – Town-Wide \$150,000, General Fund – Outside \$106,000, and Highway Fund – Outside \$120,000.

V. Unassigned:

Represents the residual classification of the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When resources are available from multiple classifications, the Town spends funds in the following order: restricted, committed, assigned, unassigned.

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

E. Encumbrances:

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

F. Property, Plant, and Equipment – General:

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

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

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

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

G. Investments:

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

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

H. Compensated Absences:

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

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

I. Post-Employment Benefits:

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

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. During the current year, \$3,298 was paid on behalf of one retiree and recorded as an expenditure.

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

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

- I. No provision for capitalizing infrastructure has been recorded;
- II. No provision for depreciation of Non-Current Government Assets has been recorded.
- III. The absence of an entity-wide Statement of Net Positions and Statement of Activities;
- IV. The absence of a Management, Discussion and Analysis;
- V. A statement comparing budget vs. actual is required under generally accepted accounting principles. While the Annual Update document includes both actual and budget schedules, there is no direct comparison of the two;
- VI. A Schedule of Funding Progress for Other Post-Employment Benefits is required under GAAP.
- VII. A Schedule of the Local Government's Proportionate Share of the Net Pension Liability for the New York State Employees' Retirement System is required under GAAP.
- VIII. A Schedule of the Local Government's Contribution for the New York State Employees' Retirement System is required under GAAP.
- IX. The absence of references to the "accompanying notes and accountant's disclaimer" on each page of the financial statements and to the "accountant's disclaimer" on each page of any supplementary information.

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

K. Insurance

The Town of North East assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

L. New Accounting Standards:

The Town has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2017, the Town implemented the following new standards issued by GASB:

-- GASB has issued Statement No. 80 - *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*, effective for reporting periods beginning after June 30, 2016. This Statement amends the blending requirements established in Paragraph 53 of GASB Statement No. 14, *The Financial Reporting Entity*, as amended.

-- GASB has issued Statement No. 81, *Irrevocable Split-Interest Agreements*, effective for reporting periods beginning after December 15, 2016. This Statement supersedes Question 7.72.11 of Implementation Guide No. 2015-1. In addition, this Statement amends Paragraph 13 of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*; Paragraph 5 of Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*; Paragraphs 16, 18, 22, 92, and 107 of Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*; and Paragraph 24 of Statement No. 67, *Financial Reporting for Pension Plans*.

-- The GASB has issued Statement No. 82, *Pension Issues*, effective for reporting periods beginning after June 15, 2016, with certain exceptions. This Statement is an amendment of GASB Statements No. 67, No. 68, and No. 73, finalizes Exposure Draft (ED) No. 34E, and seeks to improve consistency in the application of financial reporting requirements to certain pension issues.

M. Future Changes in Accounting Standards:

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, effective for reporting periods beginning after June 15, 2017. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, established new accounting and financial reporting requirements for other post-employment benefits (OPEB) plans.

The GASB has issued Statement No. 83, *Certain Asset Retirement Obligations*, effective for reporting periods beginning after June 15, 2018.

The GASB has issued Statement No. 84, *Fiduciary Activities*, which finalizes Exposure Draft No. 3-13E of the same name, and establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, with earlier application encouraged.

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TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

The GASB has issued Statement No. 85, Omnibus 2017, which seeks to improve consistency in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, with earlier application encouraged.

The GASB has issued Statement No. 86, Certain Debt Extinguishment Issues, which finalizes Exposure Draft (ED) No. 19-25E of the same name, and seeks to (1) improve consistency in accounting and financial reporting for certain debt extinguishments and (2) enhance the decision-usefulness of such information. The requirements of Statement No. 86 are effective for reporting periods beginning after June 15, 2017, with earlier application encouraged.

The GASB has issued Statement No. 87, Leases, which finalizes Exposure Draft (ED) No. 3-24E of the same name, and establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, with earlier application encouraged.

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

N. Use of Estimates:

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY:

A. Budgetary Data:

The budget policies are as follows:

- I. No later than September 30, the budget officer submits a tentative budget to the Town Clerk, who then has until October 5 to submit the budget to the Town Board for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- II. After public hearings are conducted to obtain taxpayer comments, no later than November 20, the governing board adopts the budget.
- III. All modifications of the budget must be approved by the governing board.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

IV. Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the period year.

B. Property Taxes:

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

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

A. Assets:

I. Cash and Investment Policies:

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

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

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

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

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. While the Town does not have a specific policy for

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TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

custodial credit risk, New York State statutes govern the Town’s investment policies, as discussed previously in these notes.

As of December 31, 2017, \$-0- of the Town’s bank balance of \$2,120,791 was exposed to custodial credit risk as follows:

	Bank Balance 12/31/17	FDIC Coverage	Collateral	Total Coverage 12/31/17
Salisbury Bank	\$ 2,120,791	\$ 250,000	\$ 1,870,791	\$ 2,120,791

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute or contributor guidance to be reserved for various purposes. Restricted cash as of year-end includes \$11,873 within the governmental funds.

III. Changes in Non-Current Government Assets:

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

	Balance 12/31/2016	Additions	Deletions	Balance 12/31/2017
Land	\$ 52,800	\$ -	\$ -	\$ 52,800
Buildings	200,954	-	-	200,954
Machinery and Equipment	1,381,818	164,175	-	1,545,993
	<u>\$ 1,635,572</u>	<u>\$ 164,175</u>	<u>\$ -</u>	<u>\$ 1,799,747</u>

B. Liabilities:

I. Pension Plans:

a. General Information:

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

b. Plan Description:

The Town participates in the New York State and Local Employees’ Retirement System (ERS) which is referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

c. Benefits Provided:

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

i. Tiers 1 and 2:

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

ii. Tiers 3, 4, and 5:

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

iii. Tier 6:

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

iv. Special Plans:

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

v. Ordinary Disability Benefits:

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

vi. Accidental Disability Benefits:

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

vii. Ordinary Death Benefits:

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

viii. Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

d. Contributions:

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>ERS</u>
2017	63,318
2016	61,667
2015	71,808

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

At December 31, 2017, the Town reported a liability for its proportionate share of the net pension liability for the System. The net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net position liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

	<u>ERS</u>
Actuarial Valuation Date	4/1/2016
Net Pension Asset/(Liability)	\$ 160,178
Town's Portion of the Plan's Total Net Pension Asset/(Liability)	0.0017047%

For the year ended December 31, 2017, the Town recognized pension expense of \$63,318 for ERS, within the fund financial statements. At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	<u>ERS</u>	<u>ERS</u>
Differences between expected and actual experience	\$ 4,014	\$ 24,324
Changes of assumptions	54,723	-
Net difference between projected and actual earnings on pension plan investments	31,994	-
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	668	20,716
Town's contributions subsequent to the measurement date	<u>63,318</u>	<u>-</u>
Total	<u>\$ 154,717</u>	<u>\$ 45,040</u>

\$63,318 reported as deferred outflows of resource related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>
Year Ended:	
2018	24,178
2019	24,178
2020	22,375
2021	(24,373)
2022	-
Thereafter	<u>-</u>
	<u>46,358</u>

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TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

i. Actuarial Assumptions:

The total pension liability at March 31, 2017 was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following assumptions:

	<u>ERS</u>
Measurement Date	March 31, 2017
Actuarial Valuation Date	April 1, 2016
Interest Rate	7.00%
Salary Scale	3.80%
Decrement Tables	April 1, 2010 - March 31, 2015
	System's Experience
Inflation Rate	2.50%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2016 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2017 are summarized below:

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

Asset Class	Target Allocation	Expected Real Rate of Return
Domestic Equity	36%	4.55%
International Equity	14%	6.35%
Private Equity	10%	7.75%
Real Estate	10%	5.80%
Alternative Investments	5%	4-5.89%
Total Equities	75%	
Domestic Fixed Income Securities	0%	0.00%
Global Fixed Income Securities	0%	0.00%
Real Assets	3%	5.54%
Bonds and Mortgages	17%	1.31%
Short-Term	1%	-0.25%
Inflation-Indexed Bonds	4%	1.50%
Total Fixed Income	25%	
Total	100%	

ii. Discount Rate:

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

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

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

ERS	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension (asset) liability	<u>\$ 511,577</u>	<u>\$ 160,178</u>	<u>\$ (136,929)</u>

iv. Pension Plan Fiduciary Net Position:

The components of the current-year net pension (asset)/liability of the employers as of March 31, 2017, were as follows:

	(Dollars in the Thousands)
	<u>ERS</u>
Valuation Date	4/1/2016
Employers' Total Pension Liability	\$ 177,400,586
Plan Net Position	<u>168,004,363</u>
Employers' Net Pension Liability/(Asset)	<u>\$ 9,396,223</u>
 Plan Net Position as a percentage to the Systems' Total Pension Liability/(Asset)	 94.70%

v. Payables to the Pension Plan:

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of December 31, 2017 represent the projected employer contribution for the period of April 1, 2017 through December 31, 2017 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2017, amounted to \$0 payable, as the Town paid the March 2018 obligation in full prior to year-end.

II. Indebtedness:

a. Long-Term Debt:

At December 31, 2017, the total outstanding indebtedness of the Town aggregated \$586,666 of which \$121,666 was subject to the constitutional debt limit. This amount represented less than 1% of its debt limit.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

b. Serial Bonds:

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

c. Summary of Long-Term Liabilities:

The following is the summary of long-term liabilities outstanding at December 31, 2017:

	Balance 12/31/16	Additions	Payments	Balance 12/31/17
Serial Bonds	\$ 482,000	\$ -	\$ 17,000	\$ 465,000
Highway Truck	83,333	-	41,667	41,666
Highway Equipment	100,000	-	20,000	80,000
Net Pension Liability - Proportionate Share	307,783	-	147,605	160,178
	<u>\$ 973,116</u>	<u>\$ -</u>	<u>\$ 226,272</u>	<u>\$ 746,844</u>

d. Maturity:

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

Description of Issue	Issue Date	Original Amount	Interest Rate	Maturity Date	Outstanding 12/31/2017
Water	06/01/99	\$ 694,300	4.50%	06/01/36	\$ 465,000
Highway Truck	11/23/15	\$ 125,000	1.59%	11/23/18	41,666
Highway Equipment	11/01/16	\$ 100,000	1.74%	11/01/21	80,000
					<u>\$ 586,666</u>

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

e. Debt Service:

The following table summarizes the Town's future debt service requirements as of December 31, 2017:

	<u>Principal</u>	<u>Interest</u>
2018	79,666	20,925
2019	39,000	20,115
2020	40,000	19,260
2021	41,000	18,360
2022	21,000	17,415
2023-2027	112,000	72,630
2028-2032	130,000	45,900
2033-2037	<u>124,000</u>	<u>14,175</u>
	<u>\$ 586,666</u>	<u>\$ 228,780</u>

III. Landfill Maintenance:

State and federal laws and regulations require the Town to place a final cover on its refuse landfill site when it stops accepting waste, and also requires certain maintenance and monitoring functions at the site for 30 years after closure. The Town established a capital project to aid in paying the costs for the closure. Cumulative expenditures for landfill closure costs were \$1,181,475 for the years ended December 31, 2017 and 2016. The Town has applied for, and was awarded, State Aid in the amount of \$1,201,294 to aid in paying the cost to date and for future costs.

C. Interfund Receivables and Payables:

Interfund receivables and payables at December 31, 2017, were as follows:

	<u>Interfund</u>		<u>Interfund</u>	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ -	\$ -	\$ 2,727	\$ 2,727
General Fund - Town Outside	-	-	-	65,000
Special Revenue:				
Highway Part Town	-	147	65,000	-
Water	-	-	-	-
Special Grant	147	-	-	-
Capital Projects	-	-	-	-
Fiduciary Trust and Agency	-	-	-	-
Totals	<u>\$ 147</u>	<u>\$ 147</u>	<u>\$ 67,727</u>	<u>\$ 67,727</u>

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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

D. Fund Equity:

Designation and Assignment of Fund Balance:

The Town has designated the following amounts to be used to reduce taxes for the year ending December 31, 2017:

Fund	Appropriated Fund Balance
General	\$ 150,000
General - Town Outside	106,000
Highway - Town Outside	120,000
	<u>\$ 376,000</u>

E. Restricted Reserves:

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

Fund	Purpose	Balance at 12/31/17
General	Unemployment Reserve	<u>\$ 10,000</u>

NOTE 4 – COMMITMENTS AND CONTINGENCIES:

A. Grants:

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

B. Landfill Closure Costs:

The Town has not reported post closure care costs as a liability at December 31, 2017, in either the General Fund or the Non-Current Government Liabilities Account Group. The amount of this liability has not been calculated however; and is deemed to be material.