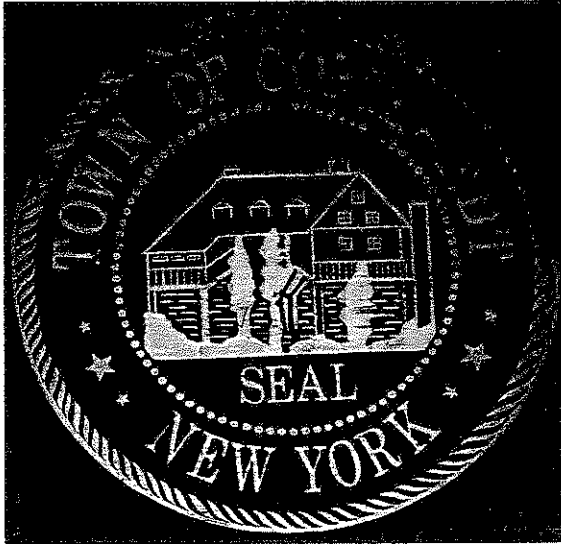


TOWN OF CORTLANDT, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED DECEMBER 31, 2015



Prepared By

PATRICIA ROBCKE
Comptroller

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Town of Cortlandt, New York

Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2014

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<p>STATISTICAL SECTION (Unaudited)</p>
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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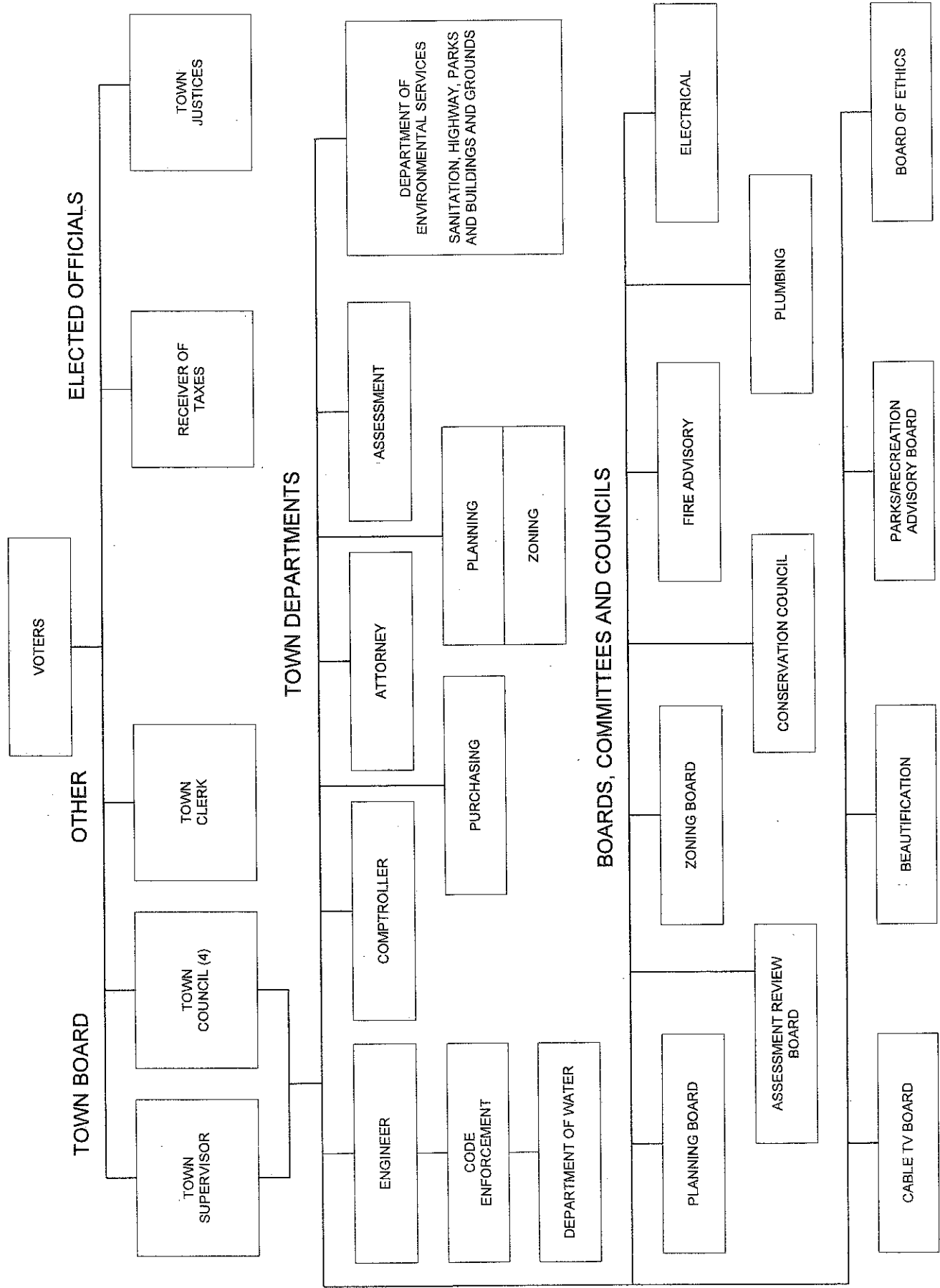
**INTRODUCTORY
SECTION**

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**TOWN OF CORTLANDT,
NEW YORK
PRINCIPAL OFFICIALS**

SUPERVISOR:	Linda D. Puglisi
TOWN BOARD:	Richard H. Becker Francis X. Farrell Seth M. Freach Debra A. Costello
TOWN CLERK:	Jo-Ann Dyckman
RECEIVER OF TAXES:	Mary E. Breining
COMPTROLLER:	Patricia Robcke

STRUCTURE OF CORTLANDT GOVERNMENT





TOWN OF CORTLANDT COMPTROLLER'S OFFICE

**Linda D. Puglisi
Town Supervisor**

**Town Hall
1 Heady Street, Cortlandt Manor, NY 10567
914-734-1070
FAX 914-734-1077**

**Patricia Robcke
Comptroller**

**Town Board
Richard H. Becker
Debra A. Costello
Francis X. Farrell
Seth M. Freach**

June 3, 2016

**Honorable Supervisor
and Town Board
Town of Cortlandt, New York**

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

The report was prepared by the Town Comptroller's Office, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town, for the fiscal year ending December 31, 2015, are free from material misstatement. The independent audit involved the examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's basic financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditors'

report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2015 financial statements to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Profile of the Town

The Town was established in 1788 by New York State as a separate political entity vested with independent taxing and debt authority. There are two incorporated villages situated within the Town's borders; the Village of Croton-on-Hudson and the Village of Buchanan. The Town has portions of five independently governed school districts, which rely on the taxing powers granted by New York State to raise revenues for school district purposes. The school districts use the Town's assessment roll as the basis for taxation of property within the Town.

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

The Supervisor is the chief executive and financial officer of the Town and is elected for a two-year term of office. In addition, the Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include; the administration of the Town's daily functions, budget preparation and control, and debt issuance. The Town provides a wide range of governmental services to its residents. Highway construction and maintenance of roads is a Town function. Recreation is provided and parks are maintained through the Town government. Water, sewer, lighting and fire protection services are furnished by various special districts, which have been formed within the Town. Other services performed at the Town level include: property assessment, code enforcement, zoning administration, planning and refuse collection.

The annual budget serves as the foundation for the Town's financial planning and control. All departments are required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before October 20th. Estimates for each fire district and for the library situated within the Town must also be filed with the budget officer by this date (the Town has no authority to amend the budget submitted by the fire districts or the library). After reviewing these estimates, the budget officer prepares a tentative budget, which includes his recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than October 30th. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing, which must be held on or before November 10th. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are consistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Town Board become the preliminary budget. A public hearing, notice of which must be duly published in the Town's official newspaper, on the preliminary budget is required to be held no later than December 10th. At the hearing, any person may express his or her opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than December 20th, at which time the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Supervisor. However, any changes or modifications to the annual budget, including the transfer of appropriations

among functions, must be approved by resolution of the Town Board. Budget to actual comparisons are provided in this report for each individual fund for which an annual budget has been adopted. For the General, Highway and Special Districts funds, these comparisons are presented as part of the basic financial statements. For other governmental funds (Debt Service Fund) with annual budgets, the comparisons are presented in the non-major governmental fund subsection of this report.

Factors Affecting Financial Condition

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

Local Economy

The Town is situated in the north western portion of Westchester County, which continues to rank among the most affluent counties in the United States. The Town, outside the Villages of Croton-on-Hudson and Buchanan, encompasses approximately 26 square miles and is primarily suburban residential in nature and comprises 7.8% of the County's land area. The Town's 2010 census population, excluding the Villages, was 31,292. A largely rural town in the 1950's, Cortlandt developed into a residential suburb, with many residents commuting to New York City, White Plains and other employment centers. Retail sales, professional services and light industrial activities are located along its major highway corridors.

Development activity continued to be slow in 2015 although there are signs that the pace of construction is starting to pick up. There were eleven (11) new Planning Board applications in 2015, compared with nine (9) in 2014 and sixteen (16) in 2013. Once again, the majority of the applications were for small projects such as lot line adjustments or minor site plans. Only one new subdivision application was submitted, MJD Contracting, for a 2-lot minor subdivision located on Hillcrest Drive. In addition, Hanover Estates, a 27 lot subdivision on Croton Avenue, received Preliminary Plat approval in 2015. Construction is continuing on the 147 unit Valeria Townhouse project with several units constructed and occupied in Phase III. During 2015 the applicant began installation of the infrastructure for Phase IV and units should be under construction in this area during 2016. There has been construction activity on several previously approved sites as houses are being built in the Sunset Ridge, Hillside Estates and MountainView Estates subdivisions. In 2015 thirty-three (33) building permits were issued for single and 2-family dwellings compared with fourteen (14) in 2014 and (4) in 2013.

With respect to commercial development activity the Town continued to review the Cortlandt Crossing Development throughout 2015. This large shopping center project, located on Cortlandt Boulevard, has been reduced in scope to 130,000 sq. ft. The Town Board is Lead Agent on the project. The environmental review was completed in 2015 and approval is expected in 2016. Also located on Cortlandt Boulevard, the 11,640 sq. ft. Shoppes on the Boulevard project was completed and fully occupied in 2015. Several small commercial changes of use were also approved in 2015.

Municipal infrastructure projects completed in 2015 included \$1.3 million dollars of road paving, the completion of the Lake Meahagh Park improvements and the Verplanck Nature Preserve and Trails. Planning and design work continued for several large scale infrastructure projects including sidewalks on Broadway in the hamlet of Verplanck, sidewalks on Route 9A, the Annsville Creek Pedestrian Path, and for landscape, aesthetic and pedestrian improvements to Route 6, also known as Cortlandt Boulevard.

Relevant Financial Policies

The Town prepares its budgets, capital improvement plans and forecasts with various financial policies in mind, including cash management and investment, capital assets, debt management, revenues and expenditures, fund balance and procurement/purchasing. The Town does not foresee any issues with its ability to comply with the current policies in the implementation of its near and long-term initiatives.

Long-term Financial Planning

The Town adopts a five year capital improvement program annually. Projects can encompass Water, Highway, Parks and Recreation and other public work projects. Some projects are funded through matching dollars, either from CDBG funds or NYS grants, while others the Town finances through debt. Each year the Town Board reviews the plan and determines which projects to fund based on a priority of needs and public safety. The Board has approved the purchase of property from Con Edison in the hamlet of Verplanck. This purchase is expected to close in 2016. In 2015, the Town issued a bond anticipation note for the addition of all-purpose ball fields at Sprout Brook Park, which will be completed in 2016. The Town also anticipates completing various water projects in the next two years, to replace an existing water storage tank, increase drinking water reserves and replace old infrastructure to improve water distribution within the Cortlandt Consolidated Water District. Bonds will be issued in the future to cover the water district improvements.

Awards and Acknowledgements

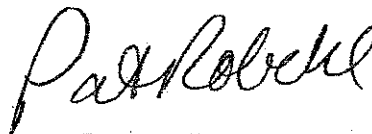
The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its CAFR for the fiscal year ended December 31, 2014. This was the 20th consecutive year that the Town received this award. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

Preparation of this report could not be accomplished without the efficient and dedicated services of the members of the Comptroller's Department, Town Assessor, Receiver of Taxes, Town Clerk, and Planning Department, as well as our independent auditor, PKF O'Connor Davis, LLP who assisted in its preparation. I would also like to thank the Town Supervisor and the members of the Town Board for their interest and support in the financial operations of the Town.

Respectfully submitted,



Patricia Robcke
Comptroller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Cortlandt
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

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**FINANCIAL
SECTION**

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Independent Auditors' Report

**The Honorable Supervisor and Town Board of
the Town of Cortlandt, New York**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 2E and Note 3F in the notes to financial statements which disclose the effects of the Town's adoption of the provisions of Governmental Accounting Standards Board Statement Nos. 68 "Accounting and Financial Reporting for Pensions" and 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

June 2, 2016

2015 Town of Cortlandt, New York

Management's Discussion and Analysis (MD&A) December 31, 2015

Introduction

The following discussion and analysis of the Town of Cortlandt, New York's Comprehensive Annual Financial Report (CAFR) provides an overview of the financial activities of the Town of Cortlandt, New York for the fiscal year ended December 31, 2015. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

Financial Highlights

Key financial highlights for fiscal year 2015 are as follows:

- For the year ended December 31, 2015, the Town implemented the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 68, "Accounting and Financial Reporting for Pensions". The GASB is charged with developing the accounting rules that apply to governments, including school districts and BOCES. This pronouncement established new accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS"). Under the new standards, cost-sharing employers are required to report in their district-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of their proportionate share of the collective amounts for all of the municipalities in the plan. At December 31, 2015, the Town's reported in its Statement of Net Position a liability of \$1,411,945 for its proportionate share of the ERS net pension liability. More detailed information about the Town's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to the financial statements.
- On the government-wide financial statements, the assets and deferred outflows of the primary government, exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$51,744,620. *Unrestricted net position* may be used to meet the Town's ongoing obligations to citizens and creditors, however, unrestricted net position in the current year reflects a negative \$9,198,564. The unrestricted net position decreased by \$1,428,617, due primarily to the Annual Required Contribution for Other Post-Employment Benefits (OPEB) of \$4,810,000, of which approximately 58% is unfunded by current net annual cost contributions of \$2,810,000. This is a trend that will continue because of the GASB Statement #45 reporting requirements, combined with the fact that New York State law currently prohibits municipalities to fund this annual cost. This may change in the future as new legislation for funding has been proposed in 2015, by the state Comptroller.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$15,961,972, a decrease of \$1,025,438. Exclusive of the Capital Projects Fund, the combined ending fund balances were \$13,733,089, of

which the total unassigned fund balances were \$2,798,653 at December 31, 2015. The Town's Special Revenue funds reflected assigned fund balance of \$7,327,532 at December 31, 2015.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,798,653 or 24% of total General Fund expenditures and other financing uses.
- The Town retired \$1,249,000 of general obligation debt. The Town did not issue any new General Obligation bonds or long term debt during the year ended December 31, 2015.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's Comprehensive Annual Financial Report (CAFR). The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with the finance-related and legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, internal service funds and fiduciary funds.

Governmental Funds

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

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

The Town maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Fund and Capital Projects Fund, which are considered to be major funds. Data for the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund, Town Outside Villages Fund, Highway Fund, and Special Districts Fund. A budgetary comparison statement has been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

Proprietary Funds

There are two types of proprietary funds, enterprise and internal service. *Enterprise funds* are used to report the same functions, which would be presented in the business-type activities in the government-wide financial statements. The Town does not have any enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses an internal service fund to account for workers' compensation benefits. These services benefit the Town and have been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds

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

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements. These include the required supplementary information for the Town's other post-employment benefit obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

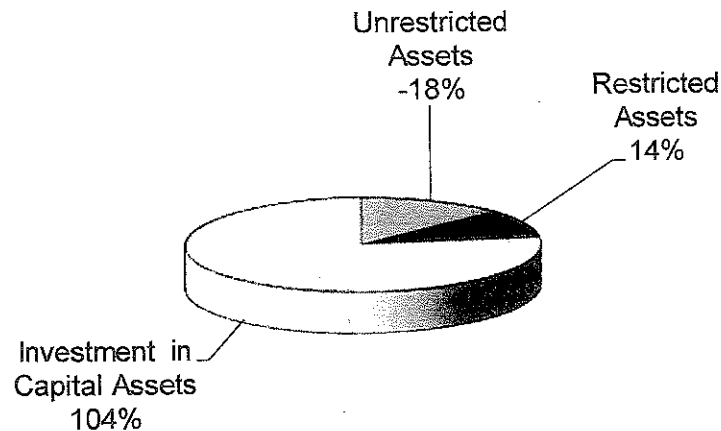
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town, assets exceeded liabilities by \$51,744,620 at the close of the current fiscal year.

Governmental Activities Net Position December 31, 2015

	2015	2014
Current Assets	\$ 71,702,384	\$ 72,470,128
Investment in Joint Venture	5,427,493	5,479,314
Capital Assets, net	58,654,040	59,789,570
Total Assets	135,783,917	137,739,012
Deferred Outflows of Resources	1,745,198	-
Current Liabilities	52,585,837	52,605,924
Long-term Liabilities	33,157,473	30,226,518
Total Liabilities	85,743,310	82,832,442
Deferred Inflow of Resources	41,185	-
NET POSITION		
Invested in capital assets	53,892,881	54,544,570
Restricted	7,050,303	8,131,947
Unrestricted	(9,198,564)	(7,769,947)
Total Net Position	\$ 51,744,620	\$ 54,906,570

**Net Position Distribution
December 31, 2015**



Approximately, 14% of the Town's net position is restricted for various purposes (capital projects, debt service, special revenue funds, etc.) The restricted net position of \$7,050,303, represent resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

	2015	2014
Capital Projects	\$ 2,960,569	\$ 3,169,650
Debt Service	2,467,063	2,853,660
Future Capital Projects	341,947	277,410
Special Revenue Funds:		
Highway	-	-
Special Districts	1,257,885	1,773,430
Special Purposes	22,839	57,797
Total	\$ 7,050,303	\$ 8,131,947

Governmental Activities

Investments in capital assets, less any outstanding debt used to acquire those assets, account for 104% of the total net position or \$53,892,881. The Town uses these assets to provide services to citizens. Consequently, the assets cannot be used for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities.

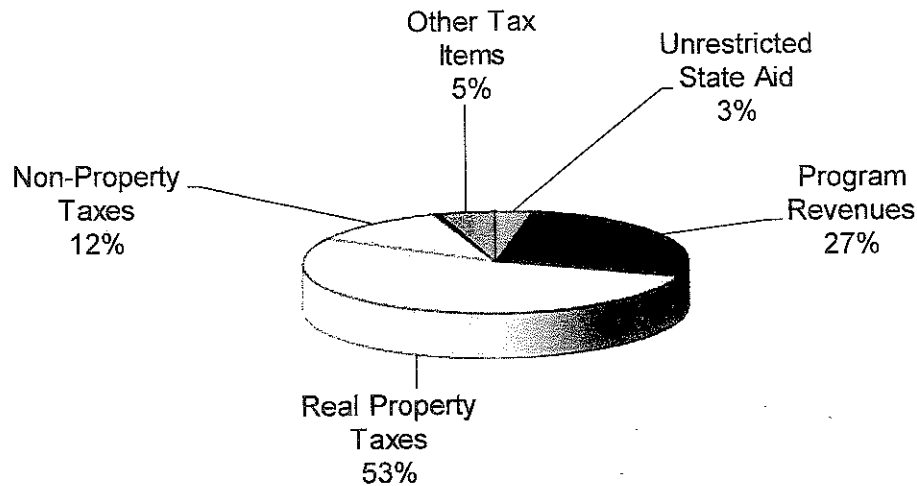
The remaining balance of net position, representing unrestricted net position, to be used to meet the Town's ongoing obligations to citizens and creditors, is a negative \$9,198,564. This does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences of \$2,210,584, bonds payable of \$6,371,000, net pension liability of \$1,411,945 and other post-employment benefit obligations equaling \$20,740,000, that are greater than currently available

resources. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates of potential long term liabilities. Payments for these liabilities will be budgeted in the year that actual payment will be made. At the end of the current fiscal year, the Town is able to report a positive net position of \$51,744,620 for the government as a whole.

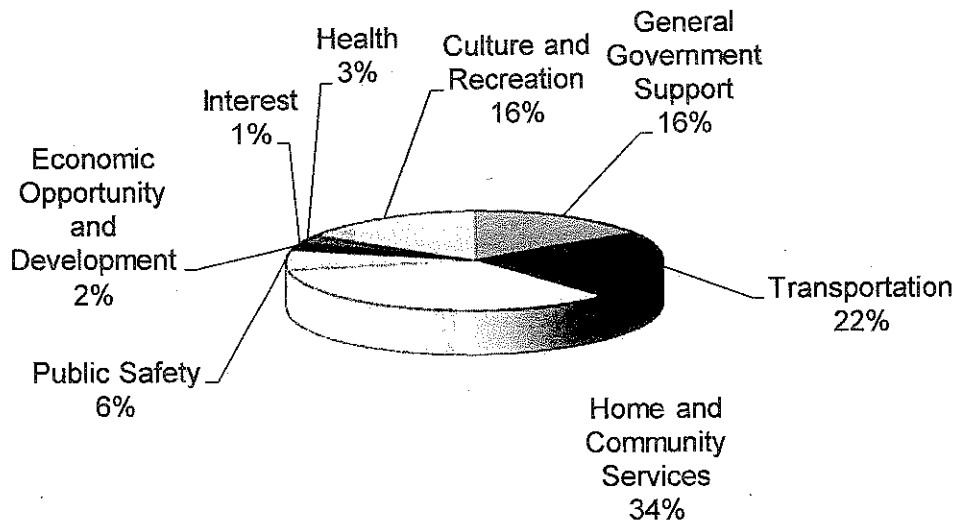
**Changes in Net Position
December 31, 2015**

	<u>2015</u>	<u>2014</u>
REVENUES		
Program Revenues		
Charges for Services	\$ 8,298,012	\$ 7,580,675
Operating Grants and Contributions	1,863,718	1,068,793
Capital Grants and Contributions	317,264	261,357
General Revenues		
Real Property Taxes	20,463,864	20,474,159
Other Tax Items	1,806,876	1,686,679
Non-Property Taxes	4,512,662	4,596,327
Unrestricted Use of Money and Property	7,015	14,865
Unrestricted State Aid	1,239,051	1,037,232
Miscellaneous	199,111	195,521
Insurance Recoveries	11,393	149,976
	<u>38,718,966</u>	<u>37,065,584</u>
PROGRAM EXPENSES		
General Government Support	6,706,694	7,916,968
Public Safety	2,651,572	2,638,189
Health	1,117,634	838,335
Transportation	9,187,620	10,490,811
Economic Opportunity and Development	844,603	937,365
Culture and Recreation	6,579,896	6,391,835
Home and Community Services	14,226,045	13,213,205
Interest	205,785	246,016
	<u>41,519,849</u>	<u>42,672,724</u>
	<u>(2,800,883)</u>	<u>(5,607,140)</u>
NET POSITION		
Beginning, as reported	54,906,570	60,513,710
Cumulative Effect of Change in Accounting Principle	<u>(361,067)</u>	<u>-</u>
Beginning, as restated	<u>54,545,503</u>	<u>60,513,710</u>
Ending	<u><u>\$ 51,744,620</u></u>	<u><u>\$ 54,906,570</u></u>

Sources of Revenue for Fiscal Year 2015 Governmental Activities



Expenses for Fiscal Year 2015 Governmental Activities



Governmental activities decreased the Town's net position by \$2,800,883 for the fiscal year ended December 31, 2015.

The decrease in net position of \$2,800,883 is mostly related to depreciation expense of \$2,582,964, and net OPEB obligation of \$2,810,000, totaling \$5,392,964. These are non-cash expenses and are not included in the annual budget. Cash expenses included in the 2015 budget came in better than expected. Revenues increased by \$1,653,382 and expenses decreased by \$1,152,875 compared to prior year.

Tax revenues decreased by \$10,295 in 2015. Non property tax revenue or Sales Tax, also decreased \$83,665 over the prior year, while other tax items, which includes franchise fees, increased by \$120,197. Overall revenues of the Primary Government increased in 2015 by \$1,653,382. The largest increase in revenues for 2015 was in Operating grants and Contributions, for \$794,925. This was due to contributions from ConEd for paving and drainage work, insurance recoveries, and FEMA reimbursements for the 2012 Super Storm Sandy. Additionally, Mortgage Tax increased by \$201,820 since 2014.

Expenses incurred by governmental activities of the Town totaled \$41,519,849, a decrease of \$1,152,875. The largest component of these expenses are in the areas of Home and Community Services (34%), Transportation (22%), General Government Support (16%) and Culture and Recreation (16%).

Total expenses per the Statement of Activities decreased in 2015 by \$1,152,875 helping to offset the \$2,800,883 decrease in the Town's net position. Savings were seen in General Government Support expenses, which decreased by \$1,210,274, along with Transportation expenses, which decreased by \$1,303,191. However, Public Safety costs increased by \$13,383, Home and Community Services increased by \$1,012,840, Health expenses increased by \$279,299 and Culture and Recreation costs went up by \$188,061.

Although the net position decreased, the Town cut many costs. Savings were seen in the areas of Transportation, Home and Community Services, Health, and Interest on debt.

Financial Analysis of the Town's Funds

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

It is important to note for this year's financial statement presentation that the Governmental Accounting Standards Board ("GASB") issued its Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in February 2009. The requirements of GASB Statement No. 54 are effective for financial statements for the Town's fiscal period ending December 31, 2012. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned.

Governmental Funds:

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$15,961,972, a decrease of \$1,025,438 from the prior year. This is now presented under GASB Statement No. 54, fund balance classifications. The non-spendable

fund balance component is \$400,721, consisting of amounts representing prepaid expenditures and inventories. Total assigned fund balance is \$8,186,866, of which \$1,922,000 has been assigned for subsequent year's expenditures and represents the amount estimated for use in the 2016 budget. An additional \$400,000 has been assigned for future retirement contributions to New York State, and another \$455,914, is assigned for purchases on order. The remaining assigned fund balance, \$5,408,952, represents amounts intended for use in the Town Outside Villages Fund, Highway Fund, Water Fund, and other special districts. Furthermore, \$2,798,653, constitutes unassigned fund balance, all of which is in the General Fund. The remainder of the fund balance, \$4,575,732 is restricted to indicate that it is not available for new spending because it has already been committed to 1) capital projects, current and future, is \$2,570,830, 2) a reserve for parklands is \$22,839, 3) a reserve for debt service is \$1,982,063.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was \$4,180,258. Of this amount, \$717,000 was assigned to be used in the 2016 fiscal year. As a measure of the General Fund liquidity, it is useful to compare both the unassigned fund balance and the total fund balance to the General Fund expenditures and transfers out. The unassigned fund balance represents 24% and the total fund balance represents 35.75% of the General Fund expenditures and transfers out. This amount of fund balance is maintained because of the Town's responsibility to guarantee the real property tax levy of other taxing jurisdictions (school districts, fire districts, and Westchester County).

The fund balance in the **General Fund** increased by \$151,531, during the current fiscal year. This is down \$468,224 from the 2014 increase of \$619,755. Part of the reason for this decrease is due to the fact that property tax revenues were down by \$653,655 even though expenses decreased by \$241,399. Non-property tax revenues, which is sales tax, decreased by \$108,665 and other tax items such as interest and penalties and franchise fees, increased by \$49,828. Charges for Services decreased slightly, but combined other incomes increased by \$11,546. In addition, State and Federal Aid increased from 2014 by \$120,526, mostly due to an increase in mortgage tax. While savings occurred in General Governmental Support, Transportation and Employee Benefits all other General Fund expenses increased in 2015; Public safety, Health, Economic opportunity and development, Culture and recreation, and Home and community services.

The fund balance for the **Town Outside Villages Fund** increased by \$114,848, during the current fiscal year. Total revenues increased by \$409,962 due to an increase in State Aid and Unclassified income, due to a write off of old outstanding accounts payable. Total expenditures and other financing uses decreased from the prior year by \$11,605. Much of the decreased expenses can be attributed to decreases in Judgements and claims and Culture and Recreation.

In the **Highway Fund**, the fund balance decreased by \$424,806 in the current fiscal year. This decrease is primarily due to severe weather conditions during the winter months of 2015. The Town appropriated fund balance, increasing the original budget by \$450,000 in order to cover the costs of snow and ice removal. The Town also completed paving of roads and drainage work which cost approximately \$1,844,000. Drainage projects included Dickerson Road, Cardozza Avenue and Rancho Drive. Additionally, the Town purchased four new plows and a wood chipper. Even with these additional purchases the Highway Fund expenditures were under the final budget by \$184,025. Revenues came in over budget by \$77,014, due to State Emergency Management Assistance (SEMA) funds related to Super Storm Sandy in 2012.

The combined **Special Districts Fund** fund balance decreased by \$197,262, in the current fiscal year. Of this decrease \$187,423, can be attributed to the Consolidated Water District which funded the final payments for the water main replacement at Jerome and Rita Drives.

Water rates to the consumer were not increased in 2015, but metered water sales increased by \$340,259. Water rent revenues came in over budget by \$128,738. Water purchases from NYC went up by \$215,266, due to increased consumption and rate increases to cover future capital improvements. The fund balance in Cortlandt Ambulance District #2 decreased by \$14,445, contributing to the decrease in fund balance for the combined Special Districts. This is partly due to the additional per diem coverage for the paramedics.

The **Capital Projects Fund** had a decrease in fund balance of \$249,194. Expenses were attributable to the improvements at Lake Meahagh Park, the Verplanck Nature Trail, and septic cleaning and repair reimbursements in the watershed area. Transfers to capital were made from the General Fund to cover the down payment on the purchase of the ConEd property in Verplanck for \$275,000, The Cortlandt Consolidated Water District transferred in \$70,959 for the Jerome and Rita Drive water main project, and the Town Outside Villages transferred in \$136,934 for the Verplanck Nature Trail.

General Fund Budgetary Highlights

Actual revenues exceeded budgetary expectations by \$806,127. Real property taxes came in \$120,059 over budget despite lower collections in 2015 due to the tax overlay built into the budget. Non-property tax revenues, such as sales tax, came in over budget by \$737,662 as a result of the Town's election to keep the budgeted highway portion of \$310,000 in the Town-wide fund. In the Town-wide fund, State Aid also came in over budget by \$43,755 due to Mortgage tax which came in higher in 2015 than the prior year by \$201,820, due to a rebound in the housing market. Federal Aid came in under budget by \$140,000 due to a shift in funding for Norwest Regional Services. Departmental income and interest income also came in under budget by \$185,929 due to a decrease in construction inspection fees and low interest rates.

Actual expenditures were \$145,964 less than budget, excluding transfers out to other funds. The difference between the original appropriations budget and the final amended budget was \$103,141. This change was attributable to Transportation, Economic opportunity and development and Culture and Recreation for the purchase of a nutrition vehicle and increased funding for the Drug Free Communities Grant.

Investment in Joint Venture

The Town of Cortlandt participates in the Northern Westchester Joint Water Works. The purpose of the joint venture is to construct, maintain and operate a water filtration and transmission system for its members. The Town has an equity interest in the joint venture of 30% or \$5,427,493.

Capital Assets

The Town's investment in capital assets for its governmental activities as of December 31, 2015, amounted to \$58,654,040 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, infrastructure and construction-in-progress. The Town has added the value of its infrastructure assets constructed and acquired between the years 1980 and 2003, in accordance with accounting requirements set by the Governmental Accounting Standards Board (GASB) Statement #34.

Capital Assets
(Net of Accumulated Depreciation)

	<u>2015</u>	<u>2014</u>
Land	\$ 17,463,469	\$ 17,463,469
Buildings and Improvements	8,049,833	7,483,866
Machinery and Equipment	3,247,750	3,604,357
Construction-in-Progress	2,234,053	2,403,554
Infrastructure	<u>27,658,935</u>	<u>28,834,324</u>
 Total	 <u>\$ 58,654,040</u>	 <u>\$ 59,789,570</u>

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Completion of Lake Meahagh Park improvements
- Verplanck Nature Trail and Turtle Pond
- Repaving of Jerome and Rita Drive due to water main replacement

Additional information on the Town's capital assets can be found in Note 3 of this report.

Long-term Debt

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$6,371,000. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

During the 2015 fiscal year, the Town did not issue any new statutory installment bonds, but paid \$1,249,000 in principal on outstanding obligations.

Through sound financial management and manageable debt levels, the Town has been successful in maintaining its high-grade rating for its general obligation bonds, currently rated Aa2 by Moody's Investors Service.

Additional information on the Town's long-term debt can be found in Note 3 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of this information provided in this report or request for additional financial information should be addressed to the Comptroller, Town of Cortlandt, 1 Heady Street, Cortlandt Manor, New York 10567.

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**BASIC FINANCIAL
STATEMENTS**

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Town of Cortlandt, New York

Statement of Net Position
December 31, 2015

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 24,153,903
Receivables	
Taxes, net	41,712,446
Accounts	1,157,892
State and Federal aid	519,483
Water rents	1,610,803
Due from other governments	2,147,136
Prepaid expenses	400,721
Investment in joint venture	5,427,493
Capital assets	
Not being depreciated	19,697,522
Being depreciated, net	38,956,518
Total Assets	<u>135,783,917</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>1,745,198</u>
LIABILITIES	
Accounts payable	1,385,878
Bond interest and matured bonds payable	9,171
Due to school districts	49,321,406
Due to other governments	1,719
Overpayments	30,389
Bond anticipation notes payable	1,300,000
Unearned revenues	526,000
Accrued interest payable	11,274
Non-current liabilities	
Due within one year	1,968,084
Due in more than one year	31,189,389
Total Liabilities	<u>85,743,310</u>
DEFERRED INFLOWS OF RESOURCES	<u>41,185</u>
NET POSITION	
Net investment in capital assets	53,892,881
Restricted for	
Capital projects	2,960,569
Debt service	2,467,063
Future capital projects	341,947
Special districts	
Water	47,240
Lighting	67,377
Sewer	123,403
Ambulance	927,604
Parks	43,583
Drainage	17,202
Improvement	31,476
Parklands	22,839
Unrestricted	(9,198,564)
Total Net Position	<u>\$ 51,744,620</u>

The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Statement of Activities

Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 6,706,694	\$ 235,248	\$ 40,373	\$ 275,000
Public safety	2,651,572	716,196	106,552	-
Health	1,117,634	177,086	275,309	-
Transportation	9,187,620	18,509	741,585	93,937
Economic opportunity and development	844,603	-	85,926	-
Culture and recreation	6,579,896	1,260,109	316,676	130,000
Home and community services	14,226,045	5,890,864	6,621	89,929
Interest	205,785	-	15,676	3,398
Total Governmental Activities	\$ 41,519,849	\$ 8,298,012	\$ 1,588,718	\$ 592,264

General revenues

Real property taxes

Other tax items

Payments in lieu of taxes

Interest and penalties on real property taxes

Franchise fees

Non-property taxes - Non-property tax distribution from County

Unrestricted use of money and property

Unrestricted State aid

Miscellaneous

Insurance recoveries

Total General Revenues

Change in Net Position

Net Position- Beginning, as reported

Cumulative Effect of Change in Accounting Principle

Net Pension- Beginning, as restated

Net Pension- Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense)
Revenue and
Changes in
Net Position

\$ (6,156,073)
(1,828,824)
(665,239)
(8,333,589)

(758,677)
(4,873,111)

(8,238,631)
(186,711)

(31,040,855)

20,463,864

760,987
667,590
378,299
4,512,662
7,015
1,239,051
199,111
11,393

28,239,972

(2,800,883)

54,906,570

(361,067)

54,545,503

\$ 51,744,620

Town of Cortlandt, New York

Balance Sheet
Governmental Funds
December 31, 2015

	General	Town Outside Villages	Highway
ASSETS			
Cash and equivalents	\$ 11,861,109	\$ 1,977,758	\$ 1,693,925
Taxes receivable, net of allowance for uncollectible amounts	41,712,446	-	-
Other receivables			
Accounts	344,430	165,802	41,484
State and Federal aid	6,535	-	345,473
Water rents	-	-	-
Due from other governments	1,338,028	90,545	-
Due from other funds	345,390	-	35,968
	2,034,383	256,347	422,925
Prepaid expenditures	180,324	132,238	56,101
Total Assets	<u>\$ 55,788,262</u>	<u>\$ 2,366,343</u>	<u>\$ 2,172,951</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 244,675	\$ 220,515	\$ 114,319
Bond interest and matured bonds payable	-	-	-
Due to other funds	13,563	4,792	345,468
Due to school districts	49,321,406	-	-
Due to other governments	1,719	-	-
Overpayments	30,389	-	-
Bond anticipation notes payable	-	-	-
Unearned revenues	-	-	1,500
Total Liabilities	49,611,752	225,307	461,287
Deferred inflows of resources			
Deferred tax revenues	1,996,252	-	-
Total Liabilities and Deferred Inflows of Resources	<u>51,608,004</u>	<u>225,307</u>	<u>461,287</u>
Fund balances			
Nonspendable	180,324	132,238	56,101
Restricted	341,947	-	-
Assigned	859,334	2,008,798	1,655,563
Unassigned	2,798,653	-	-
Total Fund Balances	<u>4,180,258</u>	<u>2,141,036</u>	<u>1,711,664</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 55,788,262</u>	<u>\$ 2,366,343</u>	<u>\$ 2,172,951</u>

The notes to the financial statements are an integral part of this statement.

Special Districts	Capital Projects	Other Governmental	Total Governmental Funds
\$ 1,943,944	\$ 6,095,009	\$ 31,750	\$ 23,603,495
-	-	-	41,712,446
331,176	275,000	-	1,157,892
-	167,475	-	519,483
1,610,803	-	-	1,610,803
718,563	-	-	2,147,136
1,532,622	18,174	2,470,706	4,402,860
4,193,164	460,649	2,470,706	9,838,174
32,058	-	-	400,721
\$ 6,169,166	\$ 6,555,658	\$ 2,502,456	\$ 75,554,836
\$ 758,137	\$ 40,754	\$ -	\$ 1,378,400
-	-	9,171	9,171
1,539,633	2,496,021	3,383	4,402,860
-	-	-	49,321,406
-	-	-	1,719
-	-	-	30,389
-	1,300,000	-	1,300,000
661,167	490,000	-	1,152,667
2,958,937	4,326,775	12,554	57,596,612
-	-	-	1,996,252
2,958,937	4,326,775	12,554	59,592,864
32,058	-	-	400,721
-	2,228,883	2,004,902	4,575,732
3,178,171	-	485,000	8,186,866
-	-	-	2,798,653
3,210,229	2,228,883	2,489,902	15,961,972
\$ 6,169,166	\$ 6,555,658	\$ 2,502,456	\$ 75,554,836

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Town of Cortlandt, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2015

Fund Balances - Total Governmental Funds	\$ 15,961,972
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	58,654,040
Investment in joint venture	5,427,493
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	1,996,252
Departmental income	626,667
Internal Service funds are used by management to charge the costs of insurance to the governmental funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position	(1,758,930)
Governmental funds do not report the effect of assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	1,704,013
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(11,274)
Bonds payable	(6,371,000)
Compensated absences	(2,210,584)
Claims payable	(122,084)
Net pension liability	(1,411,945)
Other post employment benefit obligations payable	(20,740,000)
Net Position of Governmental Activities	<u>\$ 51,744,620</u>

The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
Year Ended December 31, 2015

	General	Town Outside Villages	Highway	Special Districts
REVENUES				
Real property taxes	\$ 2,999,099	\$ 8,492,482	\$ 5,911,380	\$ 2,729,600
Other tax items	1,806,876	-	-	-
Non-property taxes	3,737,662	775,000	-	-
Departmental income	380,770	1,209,313	-	6,029,082
Intergovernmental charges	239,760	-	18,509	195,676
Use of money and property	98,401	2,339	1,695	4,184
Fines and forfeitures	283,196	-	-	-
State aid	1,555,255	108,582	449,095	-
Federal aid	143,525	-	-	-
Miscellaneous	145,339	142,960	290,715	-
Total Revenues	11,389,883	10,730,676	6,671,394	8,958,542
EXPENDITURES				
Current				
General government support	4,941,333	156,978	-	74,630
Public safety	109,456	1,517,806	-	627,593
Health	32,500	15,797	-	1,069,337
Transportation	383,575	-	5,607,557	107,970
Economic opportunity and development	674,003	-	-	-
Culture and recreation	2,157,874	2,467,346	-	-
Home and community services	17,200	3,830,680	-	5,666,652
Employee benefits	3,025,489	2,485,495	1,435,292	623,123
Debt service				
Principal	-	-	-	-
Interest	-	-	-	5,505
Capital outlay	-	-	-	-
Total Expenditures	11,341,430	10,474,102	7,042,849	8,174,810
Excess (Deficiency) of Revenues Over Expenditures	48,453	256,574	(371,455)	783,732
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	11,393	-	-	275,309
Transfers in	446,116	-	14,500	472,500
Transfers out	(354,431)	(141,726)	(67,851)	(1,728,803)
Total Other Financing Sources (Uses)	103,078	(141,726)	(53,351)	(980,994)
Net Change in Fund Balances	151,531	114,848	(424,806)	(197,262)
FUND BALANCES				
Beginning of Year	4,028,727	2,026,188	2,136,470	3,407,491
End of Year	\$ 4,180,258	\$ 2,141,036	\$ 1,711,664	\$ 3,210,229

The notes to the financial statements are an integral part of this statement.

Capital Projects	Other Governmental	Total Governmental Funds
\$ -	\$ -	\$ 20,132,561
-	-	1,806,876
-	-	4,512,662
-	66,000	7,685,165
-	-	453,945
-	3,440	110,059
-	-	283,196
89,929	-	2,202,861
223,937	-	367,462
275,000	-	854,014
<u>588,866</u>	<u>69,440</u>	<u>38,408,801</u>
-	-	5,172,941
-	-	2,254,855
-	-	1,117,634
-	-	6,099,102
-	-	674,003
-	-	4,625,220
-	-	9,514,532
-	-	7,569,399
-	1,249,000	1,249,000
-	204,035	209,540
<u>1,234,715</u>	<u>-</u>	<u>1,234,715</u>
<u>1,234,715</u>	<u>1,453,035</u>	<u>39,720,941</u>
<u>(645,849)</u>	<u>(1,383,595)</u>	<u>(1,312,140)</u>
-	-	286,702
433,335	1,463,604	2,830,055
<u>(36,680)</u>	<u>(500,564)</u>	<u>(2,830,055)</u>
<u>396,655</u>	<u>963,040</u>	<u>286,702</u>
(249,194)	(420,555)	(1,025,438)
<u>2,478,077</u>	<u>2,910,457</u>	<u>16,987,410</u>
<u>\$ 2,228,883</u>	<u>\$ 2,489,902</u>	<u>\$ 15,961,972</u>

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Town of Cortlandt, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2015

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (1,025,438)</u>
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Governmental funds report capital outlays and amounts paid to joint ventures as expenditures. However, in the statement of activities, these costs are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	1,447,434
Depreciation expense	(2,582,964)
Investment in joint venture	<u>(51,821)</u>
	<u>(1,187,351)</u>

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

Real property taxes	331,303
Intergovernmental charges	<u>(180,000)</u>
	<u>151,303</u>

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

Principal paid on bonds	<u>1,249,000</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	3,755
Compensated absences	167,180
Pension assets (liabilities)	653,135
Claims	15,484
Other post employment benefit obligations	<u>(2,810,000)</u>
	<u>(1,970,446)</u>

Internal service funds are used by management to charge the cost of risk to individual funds. The net revenue of the internal service funds are reported with governmental activities.

	<u>(17,951)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ (2,800,883)</u></u>
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The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2015

	General Fund				Town Outside Villages Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Real property taxes	\$ 2,879,040	\$ 2,879,040	\$ 2,999,099	\$ 120,059	\$ 8,491,288	\$ 8,491,288	\$ 8,492,482	\$ 1,194
Other tax items	1,659,250	1,659,250	1,806,876	147,626	-	-	-	-
Non-property taxes	3,000,000	3,000,000	3,737,662	737,662	775,000	775,000	775,000	-
Departmental income	520,100	520,100	380,770	(139,330)	1,110,500	1,110,500	1,209,313	98,813
Intergovernmental charges	231,288	231,288	239,760	8,472	-	-	-	-
Use of money and property	145,000	145,000	98,401	(46,599)	15,000	15,000	2,339	(12,661)
Fines and forfeitures	200,000	200,000	283,196	83,196	-	-	-	-
State aid	1,511,500	1,511,500	1,555,255	43,755	-	78,000	108,582	30,582
Federal aid	256,262	283,667	143,525	(140,142)	-	-	-	-
Miscellaneous	129,000	153,911	145,339	(8,572)	60,415	60,415	142,960	82,545
Total Revenues	10,531,440	10,583,756	11,389,883	806,127	10,452,203	10,530,203	10,730,676	200,473
EXPENDITURES								
Current								
General government support	5,020,365	5,007,834	4,941,333	66,501	372,598	160,534	156,978	3,556
Public safety	133,027	115,027	109,456	5,571	1,384,956	1,541,345	1,517,806	23,539
Health	30,000	32,500	32,500	-	16,315	16,315	15,797	518
Transportation	324,984	383,842	383,575	267	-	-	-	-
Economic opportunity and development	621,606	685,641	674,003	11,638	-	-	-	-
Culture and recreation	2,058,771	2,213,276	2,157,874	55,402	2,525,581	2,520,789	2,467,346	53,443
Home and community services	14,500	17,900	17,200	700	3,860,662	4,063,531	3,830,680	232,851
Employee benefits	3,181,000	3,031,374	3,025,489	5,885	2,576,000	2,506,806	2,485,495	21,311
Debt service	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	11,384,253	11,487,394	11,341,430	145,964	10,736,112	10,809,320	10,474,102	335,218
Excess (Deficiency) of Revenues Over Expenditures	(852,813)	(903,638)	48,453	952,091	(283,909)	(279,117)	256,574	535,691
OTHER FINANCING SOURCES (USES)								
Insurance recoveries	-	-	11,393	11,393	-	-	-	-
Transfers in	435,000	436,205	446,116	9,911	-	-	-	-
Transfers out	(332,229)	(354,434)	(354,431)	3	-	(141,726)	(141,726)	-
Total Other Financing Sources (Uses)	102,771	81,771	103,078	21,307	-	(141,726)	(141,726)	-
Net Change in Fund Balances	(750,042)	(821,867)	151,531	973,398	(283,909)	(420,843)	114,848	535,691
FUND BALANCES								
Beginning of Year	750,042	821,867	4,028,727	3,206,860	283,909	420,843	2,026,188	1,605,345
End of Year	\$ -	\$ -	\$ 4,180,258	\$ 4,180,258	\$ -	\$ -	\$ 2,141,036	\$ 2,141,036

The notes to the financial statements are an integral part of this statement.

Highway Fund				Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,911,380	\$ 5,911,380	\$ 5,911,380	\$ -	\$ 2,729,243	\$ 2,729,243	\$ 2,729,600	\$ 357
-	-	-	-	-	-	-	-
310,000	310,000	-	(310,000)	-	-	-	-
-	-	-	-	5,033,459	5,840,836	6,029,082	188,246
22,000	22,000	18,509	(3,491)	196,100	196,100	195,676	(424)
10,000	10,000	1,695	(8,305)	5,000	5,000	4,184	(816)
-	-	-	-	-	-	-	-
300,000	300,000	449,095	149,095	-	-	-	-
-	-	-	-	-	-	-	-
41,000	41,000	290,715	249,715	-	-	-	-
-	-	-	-	-	-	-	-
6,594,380	6,594,380	6,671,394	77,014	7,963,802	8,771,179	8,958,542	187,363
-	-	-	-	-	-	-	-
-	-	-	-	163,290	77,571	74,630	2,941
-	-	-	-	610,304	616,444	627,593	(11,149)
-	-	-	-	831,886	1,130,763	1,069,337	61,426
5,200,374	5,773,149	5,607,557	165,592	107,500	107,943	107,970	(27)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,701,873	5,787,236	5,666,652	120,584
1,576,500	1,453,725	1,435,292	18,433	620,300	623,129	623,123	6
-	-	-	-	-	-	-	-
-	-	-	-	30,000	5,505	5,505	-
6,776,874	7,226,874	7,042,849	184,025	7,065,153	8,348,591	8,174,810	173,781
-	-	-	-	-	-	-	-
(182,494)	(632,494)	(371,455)	261,039	896,649	422,588	783,732	361,144
-	-	-	-	-	-	275,309	275,309
14,500	14,500	14,500	-	468,500	468,500	472,500	4,000
(67,852)	(67,852)	(67,851)	1	(1,614,721)	(1,728,803)	(1,728,803)	-
-	-	-	-	-	-	-	-
(53,352)	(53,352)	(53,351)	1	(1,146,221)	(1,260,303)	(980,994)	279,309
-	-	-	-	-	-	-	-
(235,846)	(685,846)	(424,806)	261,040	(247,572)	(837,715)	(197,262)	640,453
-	-	-	-	-	-	-	-
235,846	685,846	2,136,470	1,450,624	247,572	837,715	3,407,491	2,569,776
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ 1,711,664	\$ 1,711,664	\$ -	\$ -	\$ 3,210,229	\$ 3,210,229

Town of Cortlandt, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund

Statement of Net Position

December 31, 2015

ASSETS

Cash and equivalents	\$ 550,408
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LIABILITIES

Current liabilities

Accounts payable	7,478
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Current portion of claims payable	<u>580,000</u>
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Total Current Liabilities	587,478
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Claims payable, less current portion	<u>1,721,860</u>
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Total Liabilities	<u>2,309,338</u>
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NET POSITION

Unrestricted	<u><u>\$ (1,758,930)</u></u>
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The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2015

OPERATING REVENUES

Charges for services \$ 610,000

OPERATING EXPENSES

Employee benefits 628,301

Loss from Operations (18,301)

NON-OPERATING REVENUES

Interest income 350

Change in Net Position (17,951)

NET POSITION

Beginning of Year (1,740,979)

End of Year \$ (1,758,930)

The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Statement of Cash Flows
Year Ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from charges for services	\$ 610,000
Cash payments to insurance carriers and claimants	<u>(486,725)</u>
Net Cash From Operating Activities	<u>123,275</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>350</u>
Net Change in Cash and Equivalents	123,625

CASH AND EQUIVALENTS

Beginning of Year	<u>426,783</u>
End of Year	<u><u>\$ 550,408</u></u>

**RECONCILIATION OF LOSS FROM OPERATIONS TO
NET CASH FROM OPERATING ACTIVITIES**

Loss from operations	\$ (18,301)
Adjustments to reconcile loss from operations to net cash from operating activities	
Changes in assets and liabilities	
Accounts payable	902
Claims payable	<u>140,674</u>
Net Cash From Operating Activities	<u><u>\$ 123,275</u></u>

The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New YorkStatement of Net Position
Fiduciary Funds
December 31, 2015

	Agency Fund	Pension Trust Fund
ASSETS		
Cash and equivalents	\$ 1,122,331	\$ -
Investments, at fair value		
Short term investments	-	62,502
U.S. government agencies	-	5,357
Corporate bonds	-	45,835
Common stock	-	274,412
Mutual funds	-	207,148
	-	595,254
Accounts receivable	-	37,000
Total Assets	1,122,331	632,254
LIABILITIES		
Accounts payable	271,699	-
Employee payroll deductions	49,190	-
Deposits	801,442	-
Total Liabilities	1,122,331	-
NET POSITION		
Held in trust for pension benefits	\$ -	\$ 632,254

The notes to the financial statements are an integral part of this statement.

Town of Cortlandt, New York

Statement of Changes in Net Position

Fiduciary Funds

Pension Trust Fund - Ambulance Service Awards Program

Year Ended December 31, 2015

ADDITIONS

Pension contributions	\$ 36,929
Investment income	<u>11,051</u>
Total Additions	<u>47,980</u>

DEDUCTIONS

Pension benefits	18,102
Administrative costs	<u>2,916</u>
Total Deductions	<u>21,018</u>

Change in Net Position	26,962
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NET POSITION

Beginning of Year	<u>605,292</u>
End of Year	<u><u>\$ 632,254</u></u>

The notes to the financial statements are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

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

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

B. Government-Wide Financial Statements

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary funds principal on-going operation. The principal operating revenue of the Internal Service Fund is charges to customers for services. Operating expenses for the Internal Service Fund include benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

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

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds:

General Fund - The General Fund constitutes the primary fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:

Town Outside Villages Fund - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenues of this fund are real property taxes, non-property taxes and departmental income.

Note 1 - Summary of Significant Accounting Policies (Continued)

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenues of this fund are real property taxes and State aid.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's fire protection, water, lighting, sewer, ambulance, park, drainage and improvement districts. The major revenues of this fund are real property taxes and departmental income.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

The Town also reports the following non-major governmental funds:

Special Revenue Fund - Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Proprietary Funds - Proprietary funds include an internal service fund. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town has established its Workers' Compensation Benefits Fund as an internal service fund.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town in an agency capacity on behalf of others. These include Pension Trust and Agency funds. The Pension Trust Fund is provided to account for the Town's Ambulance Service Awards Program. The Agency Fund is used to account for employee payroll tax withholdings and other deposits that are payable to other jurisdictions or individuals.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability, other post-employment benefit obligations and certain claims are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Deposits, Investments and Risk Disclosure

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

The Town's investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The Town was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate risk or credit risk.

Investments - Investments of the Pension Trust Fund are stated at fair value. The amounts are invested in various portfolios by the trustee of the Fund, who has been designated by the State Comptroller. These investments are unrated. The Town has no formal policy relating to interest rate or credit risk for Pension Trust Fund investments.

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special district taxes which are due April 1st and payable without penalty to April 30th. School districts taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the county and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

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

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues are recognized as earned or as specific program expenses/expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2015, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent amounts which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Investment in Joint Venture - The Town, together with the Towns of Yorktown and Somers and the Montrose Improvement District, participate in the Northern Westchester Joint Water Works (a joint venture). The purpose of the joint venture is to construct, maintain and operate a water works transmission system for its members. The Town is required to fund its share of the construction costs and will retain an equivalent equity interest in the physical plant and its operations.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items acquired since 1980. The Town was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-40
Machinery and equipment	5-10
Infrastructure	20-50

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$1,500 for fees received in advance in the Highway Fund, \$626,667 for debt service requirements due from other governments and \$25,000 for a donation received in advance in the Special Districts Fund - Consolidated Water District, \$9,500 for fees received in advance in the Special Districts Fund - Country Woods Sewer District and \$490,000 for grants received in advance in the Capital Projects Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reported deferred inflows of resources of \$1,996,252 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Town also reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations. These amounts are detailed in the discussion of the Town's pension plans in Note 3F.

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended as incurred.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Assets as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability (Asset) - The net pension liability (asset) represents the Town's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System and the New York State Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date".

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net invested in capital assets, restricted for capital projects, debt service, future capital projects, special districts and special purpose. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town Board removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Supervisor for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of the assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 2, 2016.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution not later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts and Debt Service funds.
- i) Budgets for General, Town Outside Villages, Highway, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in General, Town Outside Villages, Highway, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Budgeted amounts are as originally adopted, or as amended by the Town Board.

B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Fund Deficits

The following funds reflect deficits as of December 31, 2015:

Special Districts Fund		
Mt. Airy Quaker Bridge Fire Protection District	\$	26,197
Continental Village Fire Protection District		3,675
Montrose Lighting District		10,226
Internal Service Fund		
Workers' Compensation Benefits Fund		1,758,930

The Town will address these deficits in the ensuing year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

The deficits in individual capital projects arise, in-part, because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes are accounted for in the Capital Project Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

D. Expenditures in Excess of Budget

The following categories of expenditures exceeded their budgetary provisions by the amounts indicated:

Special Districts Fund	
Public Safety	\$ 11,149
Transportation	27

E. Cumulative Effect of Change in Accounting Principle

For the year ended December 31, 2015, the Town implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". These statements seek to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expenses/expenditures. These statements also require the identification of the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. As a result of adopting these standards, the government-wide financial statements reflect a cumulative effect for the change in accounting principle of \$361,067.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

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

Town and County taxes - Current	\$ 461,452
School districts taxes - Current	39,454,262
Taxes receivable - Overdue	2,561,527
Property acquired for taxes	<u>692,214</u>
	43,169,455
Allowance for uncollectible taxes	<u>(1,457,009)</u>
	<u>\$ 41,712,446</u>

Note 3 - Detailed Notes on All Funds (Continued)

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2016. Taxes receivable are also partially offset at the fund level by deferred tax revenues of \$1,996,252, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2015 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 345,390	\$ 13,563
Town Outside Villages	-	4,792
Highway	35,968	345,468
Special Districts	1,532,622	1,539,633
Capital Projects	18,174	2,496,021
Non-Major Governmental	2,470,706	3,383
	<u>\$ 4,402,860</u>	<u>\$ 4,402,860</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

C. Investment in Joint Venture

The Town participates in the Northern Westchester Joint Water Works. The purpose of the joint venture is to construct, maintain and operate a water works transmission system for its members. The Town has an equity interest in the joint venture of 30%.

The following is an audited summary of financial information included in the financial statements of the joint venture. Copies of the financial statements can be requested from the Northern Westchester Joint Water Works located at 2065 East Main Street, Cortlandt Manor, New York 10567.

Total Assets	\$ 22,010,995
Deferred Outflows of Resources	342,467
Total Liabilities	4,228,901
Deferred Inflows of Resources	32,917
Total Equity	18,091,644
Total Operating Revenues	10,962,917
Total Non-Operating Revenues	31,191
Total Expenses	11,074,685

Town of Cortlandt, New York

Notes to Financial Statements (Continued)
December 31, 2015

Note 3 - Detailed Notes on All Funds (Continued)

D. Capital Assets

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

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Capital Assets, not being depreciated				
Land	\$ 17,463,469	\$ -	\$ -	\$ 17,463,469
Construction-in-progress	2,403,554	601,091	770,592	2,234,053
Total Capital Assets, not being depreciated	<u>\$ 19,867,023</u>	<u>\$ 601,091</u>	<u>\$ 770,592</u>	<u>\$ 19,697,522</u>
Capital Assets, being depreciated				
Buildings and improvements	\$ 17,152,174	\$ 1,007,816	\$ -	\$ 18,159,990
Machinery and equipment	13,432,574	147,053	136,392	13,443,235
Infrastructure	69,566,832	462,066	-	70,028,898
Total Capital Assets, being depreciated	<u>100,151,580</u>	<u>1,616,935</u>	<u>136,392</u>	<u>101,632,123</u>
Less Accumulated Depreciation for				
Buildings and improvements	9,668,308	441,849	-	10,110,157
Machinery and equipment	9,828,217	503,660	136,392	10,195,485
Infrastructure	40,732,508	1,637,455	-	42,369,963
Total Accumulated Depreciation	<u>60,229,033</u>	<u>2,582,964</u>	<u>136,392</u>	<u>62,675,605</u>
Total Capital Assets, being depreciated, net	<u>\$ 39,922,547</u>	<u>\$ (966,029)</u>	<u>\$ -</u>	<u>\$ 38,956,518</u>
Capital Assets, net	<u>\$ 59,789,570</u>	<u>\$ (364,938)</u>	<u>\$ 770,592</u>	<u>\$ 58,654,040</u>

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

General Government Support	\$ 48,596
Public Safety	82,434
Transportation	869,381
Culture and Recreation	410,533
Home and Community Services	<u>1,172,020</u>
Total Depreciation Expense	<u>\$ 2,582,964</u>

Notes to Financial Statements (Continued)
December 31, 2015**Note 3 - Detailed Notes on All Funds (Continued)****E. Short-Term Capital Borrowings**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2015	New Issues	Redemptions	Balance December 31, 2015
Continental Village Water Main Replacement	2013	10/14/16	1.03 %	\$ 600,000	\$ -	\$ 50,000	\$ 550,000
Sprout Brook Park All-Purpose Ball Fields	2015	12/22/16	1.15	-	750,000	-	750,000
				<u>\$ 600,000</u>	<u>\$ 750,000</u>	<u>\$ 50,000</u>	<u>\$ 1,300,000</u>

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

Interest expenditures of \$5,505 were recorded in the Consolidated Water District within the Special Districts Fund. Interest expense of \$6,948 was recorded on the government wide financial statements.

F. Long-Term Liabilities

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

	Balance January 1, 2015	Cumulative Effect of Change in Accounting Principle	Balance January 1, 2015 As Restated	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2015	Due Within One Year
Bonds Payable							
Capital Construction	\$ 4,645,000	\$ -	\$ 4,645,000	\$ -	\$ 574,000	\$ 4,071,000	\$ 340,000
Other	2,975,000	-	2,975,000	-	675,000	2,300,000	705,000
	<u>7,620,000</u>	<u>-</u>	<u>7,620,000</u>	<u>-</u>	<u>1,249,000</u>	<u>6,371,000</u>	<u>1,045,000</u>
Other Non-current Liabilities							
Compensated Absences	2,377,764	-	2,377,764	70,820	238,000	2,210,584	221,000
Net Pension Liability	-	1,888,667	1,888,667	-	476,722	1,411,945	-
Claims Payable	2,298,754	-	2,298,754	942,692	817,502	2,423,944	702,084
Other Post Employment Benefit Obligations Payable	17,930,000	-	17,930,000	4,810,000	2,000,000	20,740,000	-
Total Other Non-Current Liabilities	<u>22,606,518</u>	<u>1,888,667</u>	<u>24,495,185</u>	<u>5,823,512</u>	<u>3,532,224</u>	<u>26,786,473</u>	<u>923,084</u>
Total Long-Term Liabilities	<u>\$ 30,226,518</u>	<u>\$ 1,888,667</u>	<u>\$ 32,115,185</u>	<u>\$ 5,823,512</u>	<u>\$ 4,781,224</u>	<u>\$ 33,157,473</u>	<u>\$ 1,968,084</u>

Each governmental funds' liability for compensated absences, net pension liability, other post employment benefit obligations and claims is liquidated by the General, Town Outside Villages, Highway and Special Districts funds. The liability for bonds is liquidated by the Debt Service Fund, which is funded by transfers from other funds.

Note 3 - Detailed Notes on All Funds (Continued)

Bonds Payable

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

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2015
Joint Venture	1998	\$ 4,630,000	June, 2018	2.307 - 3.283 %	\$ 1,905,000
Joint Venture	1998	810,000	April, 2019	1.915 - 2.255	395,000
Public Improvements	1999	2,200,000	November, 2019	5.375 - 5.600	240,000
Public Improvements	2004	1,950,000	December, 2024	3.500 - 4.125	985,000
Sewer Improvements	2009	390,000	September, 2019	3.800	141,000
Public Improvements	2010	3,352,000	June, 2030	1.750 - 4.000	2,705,000
					<u>\$ 6,371,000</u>

Interest expenditures of \$204,035 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$198,837 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2015 including interest payments of \$1,037,373 are as follows:

Year Ended December 31,	Principal	Interest	Total
2016	\$ 1,045,000	\$ 193,205	\$ 1,238,205
2017	1,080,000	162,108	1,242,108
2018	1,115,000	127,277	1,242,277
2019	466,000	99,752	565,752
2020	270,000	84,225	354,225
2021-2025	1,545,000	313,563	1,858,563
2026-2030	850,000	57,243	907,243
	<u>\$ 6,371,000</u>	<u>\$ 1,037,373</u>	<u>\$ 7,408,373</u>

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

Compensated Absences

In accordance with existing collective bargaining agreements, employees are entitled to accumulate up to 180 days of sick leave. Upon retirement, employees will be compensated for this accumulated sick leave at the rate of 25% for the first sixty days, 33 1/3% for the second sixty days and 50% for the third sixty days. Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to the limitations as provided in the respective collective bargaining

Note 3 - Detailed Notes on All Funds (Continued)

agreements. The value of the compensated absences has been reflected in the government-wide financial statements.

Pension Plans

New York State and Local Retirement System

The Town participates in the New York State and Local Employees' Retirement System ("ERS") which is referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). 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, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length 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 System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2016 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	2 75I	22.9 %
	3 A15	18.6
	4 A15	18.6
	5 A15	15.3
	6 A15	10.4

At December 31, 2015, the Town reported a liability of \$1,411,945 for its proportionate share of the net pension liability of ERS. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At December 31, 2015, the Town's proportion was .0417952% for ERS. For this first year of implementation, the System reported no change in the allocation percentage measured as of March 31, 2014.

Town of Cortlandt, New York

Notes to Financial Statements (Continued)
 December 31, 2015

Note 3 - Detailed Notes on All Funds (Continued)

For the year ended December 31, 2015, the Town recognized pension expense in the government-wide financial statements of \$1,267,528 for ERS. Pension expenditures of \$1,920,663 for ERS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>
General Fund	\$ 821,226
General- Northwest	38,413
Town Outside Villages	633,819
Highway	282,870
Special Districts	<u>144,335</u>
Total	<u>\$ 1,920,663</u>

At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>ERS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 45,198	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	245,237	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	41,185
Town contributions subsequent to the measurement date	<u>1,454,763</u>	<u>-</u>
	<u>\$ 1,745,198</u>	<u>\$ 41,185</u>

\$1,454,763 reported as deferred outflows of resources related to ERS resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	<u>ERS</u>
2016	\$ 62,313
2017	62,313
2018	62,313
2019	62,313

Note 3 - Detailed Notes on All Funds (Continued)

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

Actuarial cost method	Entry age normal
Inflation	2.7%
Salary scale	4.9% in ERS
Investment rate of return	7.5% compounded annually, net of investment expenses, including inflation
Cost of living adjustments	1.4% annually

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

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

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 and 2014 are summarized below.

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

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at

Note 3 - Detailed Notes on All Funds (Continued)

statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Town's proportionate share of the ERS net pension liability (asset)	\$ 9,411,221	\$ 1,411,945	\$ (5,341,429)

The components of the collective net pension liability as of the March 31, 2015 measurement date were as follows:

	ERS
Total pension liability	\$ 164,591,504,000
Fiduciary net position	161,213,259,000
Employers' net pension liability	\$ 3,378,245,000
Fiduciary net position as a percentage of total pension liability	97.9%

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Accrued retirement contributions as of December 31, 2015 represent the projected employer contribution for the period of April 1, 2015 through June 30, 2015 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2015 were \$1,454,763.

Voluntary Defined Contribution Plan

The Town also offers a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Pension Trust - Service Awards Program

The Town, pursuant to Article 11-A of the General Municipal Law of the State of New York and legislative resolution, has established a Length of Service Awards Program ("Program") for volunteer ambulance workers. This Program is a single employer defined benefit plan established

Note 3 - Detailed Notes on All Funds (Continued)

as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Town's general creditors. The Program is accounted for in the Town's financial statements within the Pension Trust Fund.

Active volunteer ambulance workers, upon attainment of age 18, and upon earning 50 or more points in a calendar year after 2003 under the provisions of the Program point system, are eligible to become participants in the Program. Points are granted for the performance of certain activities in accordance with a system established by the Town on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of ambulance service rendered prior to the establishment of the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 40 years. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Town's Board, are authorized to invest the funds in authorized investment vehicles. Administrative costs are paid by the Town from the Pension Trust Fund. Separate financial statements are not issued by the Program.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2014</u>
Active - Non-vested	33
Retirees and beneficiaries currently receiving benefits	7
Terminated employees entitled to benefits but not yet receiving them	3

The Town's Board has retained and designated Penflex, Inc. to assist in the administration of the Program. Based on the certified calendar year volunteer ambulance worker listings, Penflex, Inc. determines and certifies in writing the amount of the service award to be paid to a participant or to a participant's designated beneficiary. As authorized by the Town, Penflex, Inc. then directs the paying agent to pay the service award. No service award benefit payment is made without the written certification from the Town and written confirmation.

Program assets are required to be held in trust by Article 11-A of the General Municipal Law of the State of New York, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the Program. Authority to invest the Program's assets is vested in the Trustee. Program assets are invested in accordance with a statutory prudent person rule and in accordance with an investment policy adopted by the Town.

The Town is required to retain an actuary to determine the amount of the Town's contributions to the Program. The actuarial firm retained for this purpose is Penflex, Inc. Portions of the following information are derived from a report prepared by the actuary dated May 20, 2015.

Town of Cortlandt, New York

Notes to Financial Statements (Continued)
December 31, 2015

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Present Value of Benefits at December 31, 2015		\$ 479,834
Less: Assets Available for Benefits		
	<u>% of total</u>	
Short term investments	10%	\$ 62,502
U.S. government agencies	1%	5,357
Corporate bonds	7%	45,835
Common stock	43%	274,412
Mutual funds	33%	207,148
Accounts receivable	6%	37,000
Less: Liabilities		-
Total Net Assets Available for Benefits		(632,254)
Total Funded (Unfunded) Benefits		(152,420)
Less: Unfunded Liability for Prior Service		-
Funded (Unfunded) Normal Benefits		\$ (152,420)

The Town is required to contribute the amounts necessary to finance the Program as actuarially determined using the attained age normal frozen initial liability cost method. The net pension obligation is not amortized on a separate basis. The assumed investment rate of return is 6.00% and there are no cost of living adjustments.

The Town's annual Program cost, the percentage of the annual Program cost contributed to the plan and the net pension obligation for the current and two preceding fiscal years were as follows:

	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of Annual Program Cost Contributed</u>	<u>Net Pension Obligation</u>
2015	\$ 36,929	\$ 36,929	100.00 %	\$ -
2014	32,588	32,588	100.00	-
2013	36,721	36,721	100.00	-

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

The current contributions were charged to the Special Districts Fund- Cortlandt Ambulance District #1. Administrative fees of \$2,916 were also charged to the Pension Trust Fund in connection with the administration of the Program.

Note 3 - Detailed Notes on All Funds (Continued)**Claims Payable**

The Internal Service Fund reflects workers' compensation liabilities and the government-wide financial statements reflect workers' compensation and general liability claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended December 31, 2015		Year Ended December 31, 2014	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 2,161,186	\$ 137,568	\$ 2,208,599	\$ 230,204
Provision for Claims and Claims Adjustment Expenses	628,301	314,391	541,364	403,754
Claims and Claims Adjustment Expenses Paid	(487,627)	(329,875)	(588,777)	(496,390)
Balance - End of Year	<u>\$ 2,301,860</u>	<u>\$ 122,084</u>	<u>\$ 2,161,186</u>	<u>\$ 137,568</u>
Due Within One Year	<u>\$ 580,000</u>	<u>\$ 122,084</u>	<u>\$ 580,000</u>	<u>\$ 137,568</u>

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the primary government provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government may vary according to length of service. Substantially all of the primary government's employees may become eligible for those benefits if they reach normal retirement age while working for the primary government. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statement.

The Town's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the

Note 3 - Detailed Notes on All Funds (Continued)

measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

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

Year Ended December 31,	Healthcare Cost Trend Rate
2016	5.50 %
2017	5.00
2018 +	5.00

The amortization basis is the level percentage of payroll method with an open amortization approach with 22 years remaining in the amortization period. The actuarial assumptions included a 4.5% investment rate of return and a 3% inflation rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the projected unit credit method.

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

Active Employees	131
Retired Employees	<u>144</u>
Total	<u><u>275</u></u>

Town of Cortlandt, New York

Notes to Financial Statements (Continued)

December 31, 2015

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component:	
Actuarial Accrued Liability as of January 1, 2015	\$ 61,490,000
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 61,490,000</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 12,520,000</u>
UAAL as a Percentage of Covered Payroll	<u>491.13%</u>
Annual Required Contribution	\$ 5,060,000
Interest on Net OPEB Obligation	800,000
Adjustment to Annual Required Contribution	<u>(1,050,000)</u>
Annual OPEB Cost	4,810,000
Contributions Made	<u>(2,000,000)</u>
Increase in Net OPEB Obligation	\$ 2,810,000
Net OPEB Obligation - Beginning of Year	<u>17,930,000</u>
Net OPEB Obligation - End of Year	<u>\$ 20,740,000</u>

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

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 4,810,000	41.58 %	\$ 20,740,000
2014	4,720,000	41.95	17,930,000
2013	5,040,000	39.09	15,190,000

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

G. Significant Commitments - Encumbrances

As discussed in Note 2A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2015, the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

Note 3 - Detailed Notes on All Funds (Continued)

<u>Fund</u>	<u>Amount</u>
General	\$ 32,334
Town Outside Villages	203,991
Highway	60,271
Special Districts	<u>159,318</u>
	<u>\$ 455,914</u>

H. Revenues and Expenditures

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

<u>Transfers Out</u>	<u>Transfers In</u>					<u>Total</u>
	<u>General Fund</u>	<u>Highway Fund</u>	<u>Special Districts Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	
General Fund	\$ -	\$ -	\$ -	\$ 22,205	\$ 332,226	\$ 354,431
Town Outside Villages Fund	-	-	-	141,726	-	141,726
Highway Fund	-	-	-	27,500	40,351	67,851
Special Districts Fund	60,000	14,500	442,500	131,340	1,080,463	1,728,803
Capital Projects Fund	26,116	-	-	-	10,564	36,680
Non-Major Governmental Funds	<u>360,000</u>	<u>-</u>	<u>30,000</u>	<u>110,564</u>	<u>-</u>	<u>500,564</u>
	<u>\$ 446,116</u>	<u>\$ 14,500</u>	<u>\$ 472,500</u>	<u>\$ 433,335</u>	<u>\$ 1,463,604</u>	<u>\$ 2,830,055</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move amount earmarked in the operating funds to fulfill commitments for General, Highway, Special Districts and Non-Major Governmental funds.

I. Net Position

The components of net position are detailed below:

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

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

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

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Future Capital Projects - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6c of General Municipal Law.

Restricted for Special Districts - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Restricted for Parklands - the component of net position that has been established pursuant to Section 277 of Town Law. This amount represents funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

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

Town of Cortlandt, New York

Notes to Financial Statements (Continued)
December 31, 2015

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2015						2014							
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Fund	Total	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Fund	Total
Nonspendable														
Prepaid expenditures	\$ 180,324	\$ 132,238	\$ 56,101	\$ 32,058	\$ -	\$ -	\$ 400,721	\$ 204,999	\$ 153,747	\$ 79,203	\$ 27,854	\$ -	\$ -	\$ 465,800
Restricted:														
Future capital projects	341,947	-	-	-	-	-	341,947	277,410	-	-	-	-	-	277,410
Capital projects	-	-	-	-	2,228,883	-	2,228,883	-	-	-	-	2,478,077	-	2,478,077
Debt service	-	-	-	-	-	1,682,083	1,982,083	-	-	-	-	-	2,463,680	2,463,680
Parklands	-	-	-	-	-	22,839	22,839	-	-	-	-	-	56,797	56,797
Total Restricted	341,947	-	-	-	2,228,883	2,004,902	4,575,732	277,410	-	-	-	2,478,077	2,520,457	5,275,944
Assigned:														
Purchases on order	21,518	-	-	-	-	-	21,518	10,618	-	-	-	-	-	10,618
General government support	1,774	809	-	-	-	-	2,583	11,527	1,946	-	-	-	-	13,473
Public safety	-	-	-	51,161	-	-	51,161	-	-	-	8,388	-	-	8,386
Health	264	-	60,271	-	-	-	60,535	2,529	-	20,846	-	-	-	23,375
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic opportunity and development	943	-	-	-	-	-	943	6,080	-	-	-	-	-	6,080
Culture and recreation	7,835	6,779	-	-	-	-	14,614	2,288	4,704	-	-	-	-	6,992
Home and community	-	198,403	-	108,157	-	-	304,560	-	22,759	-	20,792	-	-	43,551
Total Assigned	32,334	203,981	60,271	159,318	-	-	455,914	33,042	29,409	20,846	29,178	-	-	112,475
Subsequent year's expenditures	717,000	282,000	215,000	243,000	-	485,000	1,922,000	717,000	264,500	215,000	274,500	-	390,000	1,851,000
Retirement contributions	110,000	140,000	100,000	50,000	-	-	400,000	110,000	140,000	100,000	50,000	-	-	400,000
Major funds	-	1,402,807	1,280,282	2,725,853	-	-	5,408,952	-	1,448,532	1,721,421	3,025,859	-	-	6,195,812
Total Assigned	859,334	2,008,798	1,655,583	3,178,171	-	485,000	8,188,886	859,042	1,872,441	2,057,287	3,379,557	-	390,000	8,559,287
Unassigned	2,798,653	-	-	-	-	-	2,798,653	2,688,279	-	-	-	-	-	2,686,278
Total Fund Balances	\$ 4,180,268	\$ 2,141,036	\$ 1,711,654	\$ 3,210,229	\$ 2,228,883	\$ 2,489,902	\$ 15,981,972	\$ 4,028,727	\$ 2,028,189	\$ 2,136,470	\$ 3,407,491	\$ 2,478,077	\$ 2,910,457	\$ 16,987,410

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

Subsequent year's expenditures represent that at December 31, 2015, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Retirement contributions represent funds that have been set aside to be used for retirement costs.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. There are several tort claims pending against the Town. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town.

In the personal injury, property damage, and civil rights cases that are pending against the Town, the issue of liability, in the Town's opinion (and/or that of outside counsel who handle the majority of the claims), is questionable, and the Town is taking a strong defense position. However, even if such claims were to be decided against the Town, the Town does not believe that the consequence, individually or in the aggregate, would be such as to have a material adverse effect on the Town's financial condition or its ability to pay the principal of, or interest on, any of its bonds or notes when they become due, taking into consideration that the Town currently carries liability insurance coverage up to \$5 million, which covers all liability and defense costs after a self-insured payment of the first \$50,000.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Town, if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decision will be funded in the year the payment is made.

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Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Contingencies

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Town purchases various insurance coverages to reduce its exposure to loss. The Town maintains a general liability policy with limits of \$5 million per occurrence. There is a \$50,000 self-insured retention per claim. The Town maintains a public officials liability policy with limits up to \$5 million per claim and in the aggregate. The Town also maintains an excess liability policy with coverage up to \$5 million. There is also a \$50,000 self-insured retention per claim. In addition, the Town purchases conventional health insurance from various providers. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The Town is self-insured for workers' compensation benefits. The Town retains the risk for claims up to \$600,000 per occurrence. Insurance coverage has been secured for losses in excess of \$600,000 per year. Employers' liability maximum limit of indemnity is \$1.0 million per occurrence. Employers' liability aggregate maximum limit of liability with respect to all occurrences taking place within the liability period is \$1.0 million. The governmental funds are charged premiums by the Internal Service Fund.

Town of Cortlandt, New York**Required Supplementary Information - Schedule of Funding Progress
Pension Trust Fund - Ambulance Service Awards Program
Last Six Fiscal Years**

<u>Actuarial Valuation Date December 31,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded (Overfunded) Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2009	\$ 265,349	\$ 281,514	\$ 16,165	94.26 %
2010	331,854	314,430	(17,424)	105.54
2011	358,654	357,068	(1,586)	100.44
2012	423,547	397,796	(25,751)	106.47
2013	523,034	432,312	(90,722)	120.99
2014	570,292	479,834	(90,458)	118.85

Notes - 2015 amounts are not currently available.

Town of Cortlandt, New York

Required Supplementary Information - Schedule of Contributions
Pension Trust Fund - Ambulance Service Awards Program
Last Six Fiscal Years

<u>Year Ended December 31,</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2010	\$ 45,381	\$ 45,381	100.0 %
2011	33,528	33,528	100.0
2012	35,443	35,443	100.0
2013	36,721	36,721	100.0
2014	32,588	32,588	100.0
2015	36,929	36,929	100.0

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Town of Cortlandt, New York

Required Supplementary Information
 Schedule of Funding Progress
 Other Post Employment Benefits
 Last Three Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2015	\$ -	\$ 61,490,000	\$ 61,490,000	- %	\$ 12,520,000	491.13 %
January 1, 2014	-	59,790,000	59,790,000	-	12,100,000	494.13
January 1, 2013	-	61,340,000	61,340,000	-	11,500,000	533.39

Town of Cortlandt, New York

Required Supplementary Information - Schedule of the
Town's Proportionate Share of the Net Pension Liability
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

	2015
Town's proportion of the net pension liability (asset)	<u>0.0417952%</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 1,411,945</u>
Town's covered-employee payroll	<u>\$ 10,328,073</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>13.67%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of
the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting
Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

Town of Cortlandt, New York

Required Supplementary Information - Schedule of Contributions
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

	<u>2015</u>
Contractually required contribution	\$ 1,993,500
Contributions in relation to the contractually required contribution	<u>(1,298,751)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered-employee payroll	<u>\$ 10,799,035</u>
Contributions as a percentage of covered-employee payroll	<u>18.46%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

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MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

- The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

SPECIAL REVENUE FUNDS

- **Town Outside Villages Fund** - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town.
- **Highway Fund** - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.
- **Special Districts Fund** - The Special Districts Fund is provided to account for the operation and maintenance of the Town's fire protection, water, lighting, sewer, ambulance, park, drainage and improvement districts.

CAPITAL PROJECTS FUND

- The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlays, including the acquisition or construction of major capital facilities.

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Town of Cortlandt, New York

General Fund
Comparative Balance Sheet
December 31,

	2015	2014
ASSETS		
Cash and equivalents	\$ 11,861,109	\$ 15,969,621
Taxes receivable		
Town and County taxes	461,452	542,041
School districts taxes	39,454,262	35,525,627
Taxes receivable - Overdue	2,561,527	2,420,157
Property acquired for taxes	692,214	248,252
	43,169,455	38,736,077
Allowance for uncollectible taxes	(1,457,009)	(1,303,383)
	41,712,446	37,432,694
Other receivables		
Accounts	344,430	288,631
State and Federal aid	6,535	60,989
Due from other governments	1,338,028	1,391,503
Due from other funds	345,390	38,281
	2,034,383	1,779,404
Prepaid expenditures	180,324	204,996
Total Assets	\$ 55,788,262	\$ 55,386,715
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 244,675	\$ 260,794
Due to other funds	13,563	-
Due to school districts	49,321,406	49,263,584
Due to other governments	1,719	1,632
Overpayments	30,389	167,029
Total Liabilities	49,611,752	49,693,039
Deferred inflows of resources		
Deferred tax revenues	1,996,252	1,664,949
Total Liabilities and Deferred Inflows of Resources	51,608,004	51,357,988
Fund balance		
Nonspendable	180,324	204,996
Restricted	341,947	277,410
Assigned	859,334	860,042
Unassigned	2,798,653	2,686,279
Total Fund Balance	4,180,258	4,028,727
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 55,788,262	\$ 55,386,715

Town of Cortlandt, New York

General Fund

Comparative Schedule of Revenues, Expenditures and

Changes in Fund Balance - Budget and Actual

Years Ended December 31,

	2015			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 2,879,040	\$ 2,879,040	\$ 2,999,099	\$ 120,059
Other tax items	1,659,250	1,659,250	1,806,876	147,626
Non-property taxes	3,000,000	3,000,000	3,737,662	737,662
Departmental income	520,100	520,100	380,770	(139,330)
Intergovernmental charges	231,288	231,288	239,760	8,472
Use of money and property	145,000	145,000	98,401	(46,599)
Fines and forfeitures	200,000	200,000	283,196	83,196
State aid	1,511,500	1,511,500	1,555,255	43,755
Federal aid	256,262	283,667	143,525	(140,142)
Miscellaneous	129,000	153,911	145,339	(8,572)
Total Revenues	10,531,440	10,583,756	11,389,883	806,127
EXPENDITURES				
Current				
General government support	5,020,365	5,007,834	4,941,333	66,501
Public safety	133,027	115,027	109,456	5,571
Health	30,000	32,500	32,500	-
Transportation	324,984	383,842	383,575	267
Economic opportunity and development	621,606	685,641	674,003	11,638
Culture and recreation	2,058,771	2,213,276	2,157,874	55,402
Home and community services	14,500	17,900	17,200	700
Employee benefits	3,181,000	3,031,374	3,025,489	5,885
Total Expenditures	11,384,253	11,487,394	11,341,430	145,964
Excess (Deficiency) of Revenues Over Expenditures	(852,813)	(903,638)	48,453	952,091
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	11,393	11,393
Transfers in	435,000	436,205	446,116	9,911
Transfers out	(332,229)	(354,434)	(354,431)	3
Total Other Financing Sources	102,771	81,771	103,078	21,307
Net Change in Fund Balance	(750,042)	(821,867)	151,531	973,398
FUND BALANCE				
Beginning of Year	750,042	821,867	4,028,727	3,206,860
End of Year	\$ -	\$ -	\$ 4,180,258	\$ 4,180,258

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,880,040	\$ 2,880,040	\$ 3,652,754	\$ 772,714
1,639,402	1,639,402	1,686,679	47,277
3,000,000	3,447,100	3,846,327	399,227
520,100	520,100	380,994	(139,106)
231,288	231,288	228,214	(3,074)
150,000	150,000	105,510	(44,490)
180,000	180,000	256,474	76,474
1,513,500	1,513,500	1,395,070	(118,430)
260,262	260,262	183,184	(77,078)
129,000	129,000	235,321	106,321
<u>10,503,592</u>	<u>10,950,692</u>	<u>11,970,527</u>	<u>1,019,835</u>
5,017,777	5,369,247	5,250,547	118,700
122,645	113,190	101,457	11,733
30,000	32,000	32,000	-
322,469	416,416	412,437	3,979
632,830	670,085	655,397	14,688
2,061,765	2,086,698	2,022,496	64,202
14,500	14,500	11,430	3,070
3,151,000	3,097,950	3,097,065	885
<u>11,352,986</u>	<u>11,800,086</u>	<u>11,582,829</u>	<u>217,257</u>
<u>(849,394)</u>	<u>(849,394)</u>	<u>387,698</u>	<u>1,237,092</u>
-	-	149,976	149,976
435,000	435,000	420,000	(15,000)
<u>(337,925)</u>	<u>(337,925)</u>	<u>(337,919)</u>	<u>6</u>
<u>97,075</u>	<u>97,075</u>	<u>232,057</u>	<u>134,982</u>
<u>(752,319)</u>	<u>(752,319)</u>	<u>619,755</u>	<u>1,372,074</u>
<u>752,319</u>	<u>752,319</u>	<u>3,408,972</u>	<u>2,656,653</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,028,727</u>	<u>\$ 4,028,727</u>

Town of Cortlandt, New York

**General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2015
(With Comparative Actuals for 2014)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
REAL PROPERTY TAXES	\$ 2,879,040	\$ 2,879,040	\$ 2,999,099	\$ 120,059	\$ 3,652,754
OTHER TAX ITEMS					
Payments in lieu of taxes	635,000	635,000	760,987	125,987	635,077
Interest and penalties on real property taxes	784,250	784,250	667,590	(116,660)	806,063
Franchise fees	240,000	240,000	378,299	138,299	245,539
	1,659,250	1,659,250	1,806,876	147,626	1,686,679
NON-PROPERTY TAXES	3,000,000	3,000,000	3,737,662	737,662	3,846,327
Non-property tax distribution from County					
DEPARTMENTAL INCOME					
Inspection fees	70,000	70,000	3,600	(66,400)	27,512
Town Clerk fees	65,000	65,000	63,093	(1,907)	57,723
Departmental charges	3,500	3,500	9,133	5,633	9,461
Parks and recreation charges	355,600	355,600	278,744	(76,856)	260,098
Rentals and charges - Nor West	26,000	26,000	26,200	200	26,200
	520,100	520,100	380,770	(139,330)	380,994
INTERGOVERNMENTAL CHARGES	231,288	231,288	239,760	8,472	228,214
Nor West Program					
USE OF MONEY AND PROPERTY					
Rental income	90,000	90,000	90,990	990	90,000
Earnings on investments	50,000	50,000	7,033	(42,967)	14,895
Trust fund income	5,000	5,000	378	(4,622)	615
	145,000	145,000	98,401	(46,599)	105,510
FINES AND FORFEITURES					
Fines and forfeited bail	200,000	200,000	281,096	81,096	255,474
Forfeiture of deposits	-	-	2,100	2,100	1,000
	200,000	200,000	283,196	83,196	256,474

STATE AID Per capita Mortgage tax Youth programs Nor West Program	190,000	190,000	189,449	(551)	189,449
	1,000,000	1,000,000	1,049,602	49,602	847,783
	91,500	91,500	88,982	(2,518)	87,358
	230,000	230,000	227,222	(2,778)	270,480
	<u>1,511,500</u>	<u>1,511,500</u>	<u>1,555,255</u>	<u>43,755</u>	<u>1,395,070</u>
FEDERAL AID Nutrition program Drug free communities Nor West Program	45,000	45,000	36,987	(8,013)	51,270
	100,000	127,405	106,538	(20,867)	131,914
	111,262	111,262	-	(111,262)	-
	<u>256,262</u>	<u>283,667</u>	<u>143,525</u>	<u>(140,142)</u>	<u>183,184</u>
MISCELLANEOUS Refunds of prior year's expenditures Gifts and donations Unclassified	40,000	64,911	32,279	(32,632)	144,421
	39,000	39,000	89,188	50,188	45,460
	50,000	50,000	23,872	(26,128)	45,440
	129,000	153,911	145,339	(8,572)	235,321
	<u>10,531,440</u>	<u>10,583,756</u>	<u>11,389,883</u>	<u>806,127</u>	<u>11,970,527</u>
TOTAL REVENUES					
OTHER FINANCING SOURCES Insurance recoveries Transfers in Debt Service Fund Capital Projects Fund Special Districts Fund	-	-	11,393	11,393	149,976
	360,000	360,000	360,000	-	360,000
	10,000	11,205	26,116	14,911	-
	65,000	65,000	60,000	(5,000)	60,000
	<u>435,000</u>	<u>436,205</u>	<u>457,509</u>	<u>21,304</u>	<u>569,976</u>
TOTAL OTHER FINANCING SOURCES					
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 10,966,440</u>	<u>\$ 11,019,961</u>	<u>\$ 11,847,392</u>	<u>\$ 827,431</u>	<u>\$ 12,540,503</u>

Town of Cortlandt, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 101,968	\$ 114,516	\$ 114,514	\$ 2	\$ 116,730
Town Justices	418,436	418,624	413,231	5,393	381,407
Supervisor	359,238	369,861	368,701	1,160	367,419
Comptroller	478,410	508,027	505,194	2,833	600,834
Auditor	53,493	50,760	50,760	-	52,170
Receiver of Taxes	310,530	314,783	314,603	180	337,893
Purchasing	444,630	474,343	472,052	2,291	466,076
Board of Assessors	323,740	280,603	270,904	9,699	284,807
Town Clerk	303,709	320,694	313,741	6,953	291,145
Town Attorney	431,462	483,704	483,703	1	644,241
Engineer	610,929	600,426	599,850	576	608,951
Elections	70,752	70,753	69,233	1,520	68,101
Environmental Services	28,500	48,987	48,524	463	40,548
Buildings	419,534	449,978	445,321	4,657	514,671
Central garage	93,242	124,156	121,137	3,019	97,854
Central printing and mailing	87,042	77,042	69,107	7,935	80,156
Central data processing	103,000	80,846	64,207	16,639	67,268
Unallocated insurance	100,000	96,213	96,213	-	93,889
Municipal association dues	10,000	5,848	5,847	1	7,359
Taxes on Town-owned property	10,000	5,034	5,033	1	4,858
Judgments and claims	25,000	92,636	92,635	1	107,256
Metropolitan commuter transportation mobility tax	20,000	20,000	16,823	3,177	16,914
Contingency account	216,750	-	-	-	-
	5,020,365	5,007,834	4,941,333	66,501	5,250,547
PUBLIC SAFETY					
Jail	1,500	3,250	3,250	-	1,695
Traffic control	131,527	111,777	106,206	5,571	99,762
	133,027	115,027	109,456	5,571	101,457

HEALTH				
Joint hospital	15,000	15,000	15,000	-
Joint ambulance	15,000	17,500	17,500	-
	30,000	32,500	32,500	-
TRANSPORTATION				
Superintendent of Highways	276,955	321,603	321,603	-
Highway garage	48,029	62,239	61,972	267
	324,984	383,842	383,575	267
ECONOMIC OPPORTUNITY AND DEVELOPMENT				
Veteran's services	4,500	4,500	2,963	1,537
Programs for the aging	617,106	681,141	671,040	10,101
	621,606	685,641	674,003	11,638
CULTURE AND RECREATION				
Recreation administration	740,986	700,481	691,785	8,696
Youth programs	722,235	832,381	823,691	8,690
Celebrations	-	80,094	80,093	1
Concerts	15,000	15,137	15,137	-
Nor West Program	572,550	572,538	534,523	38,015
Town Historian	8,000	12,645	12,645	-
	2,058,771	2,213,276	2,157,874	55,402
HOME AND COMMUNITY SERVICES				
Cemeteries	14,500	17,900	17,200	700
EMPLOYEE BENEFITS				
State retirement	865,000	822,558	821,226	1,332
Social security	385,000	368,504	368,503	1
Workers' compensation benefits	110,000	110,000	110,000	-
Life insurance	30,000	30,000	29,608	392
Health and dental insurance	1,786,000	1,695,312	1,695,312	-
Unemployment benefits	5,000	5,000	840	4,160
	3,181,000	3,031,374	3,025,489	5,885
				3,097,065

(Continued)

Town of Cortlandt, New York

**General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended December 31, 2015
(With Comparative Actuals for 2014)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
TOTAL EXPENDITURES	\$ 11,384,253	\$ 11,487,394	\$ 11,341,430	\$ 145,964	\$ 11,582,829
OTHER FINANCING USES					
Transfers out	-	22,205	22,205	-	-
Capital Projects Fund	332,229	332,229	332,226	3	337,919
Debt Service Fund					
TOTAL OTHER FINANCING USES	332,229	354,434	354,431	3	337,919
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 11,716,482	\$ 11,841,828	\$ 11,695,861	\$ 145,967	\$ 11,920,748

Town of Cortlandt, New York

Town Outside Villages Fund
Comparative Balance Sheet
December 31,

	2015	2014
ASSETS		
Cash and equivalents	\$ 1,977,758	\$ 2,247,648
Receivables		
Accounts	165,802	1,755
State and Federal aid	-	2,348
Due from other governments	90,545	12,077
Due from other funds	-	17,783
	256,347	33,963
Prepaid expenditures	132,238	153,747
Total Assets	\$ 2,366,343	\$ 2,435,358
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 220,515	\$ 404,076
Due to other funds	4,792	5,094
Total Liabilities	225,307	409,170
Fund balance		
Nonspendable	132,238	153,747
Assigned	2,008,798	1,872,441
Total Fund Balance	2,141,036	2,026,188
Total Liabilities and Fund Balance	\$ 2,366,343	\$ 2,435,358

Town of Cortlandt, New York

Town Outside Villages Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Years Ended December 31,

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 8,491,288	\$ 8,491,288	\$ 8,492,482	\$ 1,194
Non-property taxes	775,000	775,000	775,000	-
Departmental income	1,110,500	1,110,500	1,209,313	98,813
Use of money and property	15,000	15,000	2,339	(12,661)
State aid	-	78,000	108,582	30,582
Miscellaneous	60,415	60,415	142,960	82,545
Total Revenues	10,452,203	10,530,203	10,730,676	200,473
EXPENDITURES				
Current				
General government support	372,598	160,534	156,978	3,556
Public safety	1,384,956	1,541,345	1,517,806	23,539
Health	16,315	16,315	15,797	518
Culture and recreation	2,525,581	2,520,789	2,467,346	53,443
Home and community services	3,860,662	4,063,531	3,830,680	232,851
Employee benefits	2,576,000	2,506,806	2,485,495	21,311
Total Expenditures	10,736,112	10,809,320	10,474,102	335,218
Excess (Deficiency) of Revenues Over Expenditures	(283,909)	(279,117)	256,574	535,691
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(141,726)	(141,726)	-
Total Other Financing Sources (Uses)	-	(141,726)	(141,726)	-
Net Change in Fund Balance	(283,909)	(420,843)	114,848	535,691
FUND BALANCE				
Beginning of Year	283,909	420,843	2,026,188	1,605,345
End of Year	\$ -	\$ -	\$ 2,141,036	\$ 2,141,036

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,425,188	\$ 8,425,188	\$ 8,429,132	\$ 3,944
750,000	750,000	750,000	-
1,104,500	1,104,500	1,129,832	25,332
15,000	15,000	3,742	(11,258)
-	-	2,348	2,348
80,750	80,750	5,660	(75,090)
10,375,438	10,375,438	10,320,714	(54,724)
422,040	216,612	210,474	6,138
1,294,759	1,437,379	1,420,027	17,352
16,315	16,315	16,315	-
2,613,629	2,657,031	2,630,741	26,290
3,879,045	4,043,150	3,929,567	113,583
2,508,000	2,415,124	2,414,176	948
10,733,788	10,785,611	10,621,300	164,311
(358,350)	(410,173)	(300,586)	109,587
100,000	100,000	100,000	-
(94,725)	(106,176)	(106,133)	43
5,275	(6,176)	(6,133)	43
(353,075)	(416,349)	(306,719)	109,630
353,075	416,349	2,332,907	1,916,558
\$ -	\$ -	\$ 2,026,188	\$ 2,026,188

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Town of Cortlandt, New York

**Town Outside Villages Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2015
(With Comparative Actuals for 2014)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
REAL PROPERTY TAXES	\$ 8,491,288	\$ 8,491,288	\$ 8,492,482	\$ 1,194	\$ 8,429,132
NON-PROPERTY TAXES	775,000	775,000	775,000	-	750,000
Non-property tax distribution from County					
DEPARTMENTAL INCOME	8,000	8,000	6,311	(1,689)	7,319
Dog license fees	700,000	700,000	725,774	25,774	705,879
Parks and recreation charges	275,000	275,000	318,107	43,107	272,083
Safety inspection fees	10,000	10,000	1,050	(8,950)	5,150
Zoning fees	40,000	40,000	17,575	(22,425)	68,935
Planning Board fees	60,000	60,000	48,309	(11,691)	46,677
Services to other governments	17,500	17,500	92,187	74,687	23,789
Other					
	1,110,500	1,110,500	1,209,313	98,813	1,129,832
USE OF MONEY AND PROPERTY	15,000	15,000	2,339	(12,661)	3,742
Earnings on investments					
STATE AID	-	78,000	108,582	30,582	2,348
Conservation					
MISCELLANEOUS	60,415	60,415	142,960	82,545	5,660
Unclassified					
TOTAL REVENUES	10,452,203	10,530,203	10,730,676	200,473	10,320,714
OTHER FINANCING SOURCES					
Transfers in					
Debt Service Fund					100,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 10,452,203	\$ 10,530,203	\$ 10,730,676	\$ 200,473	\$ 10,420,714

Town of Cortlandt, New York

**Town Outside Villages Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended December 31, 2015
(With Comparative Actuals for 2014)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
GENERAL GOVERNMENT SUPPORT					
Unallocated insurance	\$ 85,000	\$ 85,000	\$ 84,551	\$ 449	\$ 82,508
Auditor	38,300	38,300	36,720	1,580	37,740
Judgments and claims	8,000	21,234	21,233	1	76,772
Metropolitan commuter transportation mobility tax	16,000	16,000	14,474	1,526	13,454
Contingency account	225,298	-	-	-	-
	372,598	160,534	156,978	3,556	210,474
PUBLIC SAFETY					
Police	970,881	970,881	953,076	17,805	949,867
Dog warden	75,000	85,778	85,778	-	85,227
Code enforcement	339,075	484,686	478,952	5,734	384,933
	1,384,956	1,541,345	1,517,806	23,539	1,420,027
HEALTH					
Registrar of Vital Statistics	16,315	16,315	15,797	518	16,315
CULTURE AND RECREATION					
Library	605,000	605,000	605,000	-	605,000
Parks and playgrounds	1,380,359	1,294,074	1,263,849	30,225	1,406,315
Pool	479,122	560,615	549,526	11,089	567,390
Adult recreation	61,100	61,100	48,971	12,129	52,036
	2,525,581	2,520,789	2,467,346	53,443	2,630,741

HOME AND COMMUNITY SERVICES

Zoning	30,698	31,731	31,729	2	31,066
Planning	486,458	629,424	624,057	5,367	617,152
Refuse, garbage and recycling	3,343,506	3,402,376	3,174,894	227,482	3,281,349

EMPLOYEE BENEFITS

State retirement	3,860,662	4,063,531	3,830,680	232,851	3,929,567
Social security	665,000	634,000	633,819	181	694,863
Workers' compensation benefits	330,000	317,479	316,609	870	294,750
Health, dental and life insurance	210,000	210,000	210,000	-	150,000
Unemployment benefits	1,366,000	1,340,327	1,322,719	17,608	1,273,577
	5,000	5,000	2,348	2,652	986

TOTAL EXPENDITURES

	2,576,000	2,506,806	2,485,495	21,311	2,414,176
	10,736,112	10,809,320	10,474,102	335,218	10,621,300

OTHER FINANCING USES

Transfers out					
Capital Projects Fund	-	141,726	141,726	-	11,407
Debt Service Fund	-	-	-	-	94,726

TOTAL OTHER FINANCING USES

	-	141,726	141,726	-	106,133
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TOTAL EXPENDITURES AND OTHER FINANCING USES

\$	10,736,112	\$	10,951,046	\$	10,615,828	\$	335,218	\$	10,727,433
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Town of Cortlandt, New York

Highway Fund

Combining Balance Sheet - Sub-Funds

December 31, 2015

(With Comparative Totals for 2014)

	Town Outside Villages	Town- Wide	Totals	
			2015	2014
ASSETS				
Cash and equivalents	\$ 1,693,925	\$ -	\$ 1,693,925	\$ 2,463,856
Receivables				
Accounts	41,484	-	41,484	-
State and Federal aid	345,473	-	345,473	-
Due from other funds	500	35,468	35,968	35,468
	387,457	35,468	422,925	35,468
Prepaid expenditures	56,101	-	56,101	79,203
Total Assets	\$ 2,137,483	\$ 35,468	\$ 2,172,951	\$ 2,578,527
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 114,319	\$ -	\$ 114,319	\$ 339,083
Due to other funds	345,468	-	345,468	101,474
Unearned revenues	1,500	-	1,500	1,500
Total Liabilities	461,287	-	461,287	442,057
Fund balances				
Nonspendable	56,101	-	56,101	79,203
Assigned	1,620,095	35,468	1,655,563	2,057,267
Total Fund Balances	1,676,196	35,468	1,711,664	2,136,470
Total Liabilities and Fund Balances	\$ 2,137,483	\$ 35,468	\$ 2,172,951	\$ 2,578,527

Town of Cortlandt, New York

Highway Fund

Combining Schedule of Revenues, Expenditures and Changes In

Fund Balances - Sub-Funds

Year Ended December 31, 2015

(With Comparative Totals for 2014)

	Town Outside Villages	Town- Wide	Totals	
			2015	2014
REVENUES				
Real property taxes	\$ 5,883,880	\$ 27,500	\$ 5,911,380	\$ 5,817,803
Intergovernmental charges	18,509	-	18,509	18,771
Use of money and property	1,695	-	1,695	4,309
State aid	449,095	-	449,095	336,751
Federal aid	-	-	-	32,765
Miscellaneous	290,715	-	290,715	55,072
Total Revenues	6,643,894	27,500	6,671,394	6,265,471
EXPENDITURES				
Current				
Transportation	5,607,557	-	5,607,557	6,690,154
Employee benefits	1,435,292	-	1,435,292	1,394,403
Total Expenditures	7,042,849	-	7,042,849	8,084,557
Excess (Deficiency) of Revenues Over Expenditures	(398,955)	27,500	(371,455)	(1,819,086)
OTHER FINANCING SOURCES (USES)				
Transfers in	14,500	-	14,500	14,500
Transfers out	(40,351)	(27,500)	(67,851)	(133,703)
Total Other Financing Uses	(25,851)	(27,500)	(53,351)	(119,203)
Net Change in Fund Balances	(424,806)	-	(424,806)	(1,938,289)
FUND BALANCES				
Beginning of Year	2,101,002	35,468	2,136,470	4,074,759
End of Year	\$ 1,676,196	\$ 35,468	\$ 1,711,664	\$ 2,136,470

Town of Cortlandt, New York

Highway Fund - Town Outside Villages

**Comparative Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Years Ended December 31,**

	2015			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 5,883,880	\$ 5,883,880	\$ 5,883,880	\$ -
Non-property taxes	310,000	310,000	-	(310,000)
Intergovernmental charges	22,000	22,000	18,509	(3,491)
Use of money and property	10,000	10,000	1,695	(8,305)
State aid	300,000	300,000	449,095	149,095
Federal aid	-	-	-	-
Miscellaneous	41,000	41,000	290,715	249,715
Total Revenues	6,566,880	6,566,880	6,643,894	77,014
EXPENDITURES				
Current				
Transportation	5,200,374	5,773,149	5,607,557	165,592
Employee benefits	1,576,500	1,453,725	1,435,292	18,433
Total Expenditures	6,776,874	7,226,874	7,042,849	184,025
Deficiency of Revenues Over Expenditures	(209,994)	(659,994)	(398,955)	261,039
OTHER FINANCING SOURCES (USES)				
Transfers in	14,500	14,500	14,500	-
Transfers out	(40,352)	(40,352)	(40,351)	1
Total Other Financing Uses	(25,852)	(25,852)	(25,851)	1
Net Change in Fund Balance	(235,846)	(685,846)	(424,806)	261,040
FUND BALANCE				
Beginning of Year	235,846	685,846	2,101,002	1,415,156
End of Year	\$ -	\$ -	\$ 1,676,196	\$ 1,676,196

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,817,212	\$ 5,817,212	\$ 5,790,303	\$ (26,909)
310,000	310,000	-	(310,000)
22,000	22,000	18,771	(3,229)
20,000	20,000	4,309	(15,691)
235,000	235,000	336,751	101,751
-	-	32,765	32,765
40,666	40,666	55,072	14,406
<u>6,444,878</u>	<u>6,444,878</u>	<u>6,237,971</u>	<u>(206,907)</u>
5,709,022	6,772,515	6,690,154	82,361
<u>1,467,300</u>	<u>1,403,830</u>	<u>1,394,403</u>	<u>9,427</u>
<u>7,176,322</u>	<u>8,176,345</u>	<u>8,084,557</u>	<u>91,788</u>
<u>(731,444)</u>	<u>(1,731,467)</u>	<u>(1,846,586)</u>	<u>(115,119)</u>
14,500	14,500	14,500	-
<u>(40,197)</u>	<u>(103,103)</u>	<u>(106,203)</u>	<u>(3,100)</u>
<u>(25,697)</u>	<u>(88,603)</u>	<u>(91,703)</u>	<u>(3,100)</u>
<u>(757,141)</u>	<u>(1,820,070)</u>	<u>(1,938,289)</u>	<u>(118,219)</u>
<u>757,141</u>	<u>1,820,070</u>	<u>4,039,291</u>	<u>2,219,221</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,101,002</u>	<u>\$ 2,101,002</u>

Town of Cortlandt, New York

Highway Fund - Town-Wide

Comparative Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Years Ended December 31,

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 27,500	\$ 27,500	\$ 27,500	\$ -
OTHER FINANCING USES				
Transfers out	(27,500)	(27,500)	(27,500)	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE				
Beginning of Year	-	-	35,468	35,468
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,468</u>	<u>\$ 35,468</u>

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 27,500	\$ 27,500	\$ 27,500	\$ -
<u>(27,500)</u>	<u>(27,500)</u>	<u>(27,500)</u>	<u>-</u>
-	-	-	-
-	-	35,468	35,468
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,468</u>	<u>\$ 35,468</u>

Town of Cortlandt, New York

Special Districts Fund
Combining Balance Sheet - Sub-Funds
December 31, 2015
(With Comparative Totals for 2014)

	Fire Protection Districts				
	Dogwood Road	Furnace Dock Road	Mt. Airy Quaker Bridge	North Cortlandt	Continental Village
ASSETS					
Cash and equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables					
Accounts	-	-	-	-	-
Water rents	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	1,231	5,865	-	5,990	-
	<u>1,231</u>	<u>5,865</u>	<u>-</u>	<u>5,990</u>	<u>-</u>
Prepaid expenditures	-	-	-	-	-
Total Assets	<u>\$ 1,231</u>	<u>\$ 5,865</u>	<u>\$ -</u>	<u>\$ 5,990</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES (DEFICITS)					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	26,197	-	3,675
Unearned revenues	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>26,197</u>	<u>-</u>	<u>3,675</u>
Fund balances (deficits)					
Nonspendable	-	-	-	-	-
Assigned	1,231	5,865	(26,197)	5,990	(3,675)
Total Fund Balances (Deficits)	<u>1,231</u>	<u>5,865</u>	<u>(26,197)</u>	<u>5,990</u>	<u>(3,675)</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,231</u>	<u>\$ 5,865</u>	<u>\$ -</u>	<u>\$ 5,990</u>	<u>\$ -</u>

Water District	Lighting Districts			Sewer Districts				
Consolidated	Montrose	Verplanck	North Cortlandt	Fawn Ridge	Conklin Park	Conklin Park East	Skytop	Lafayette
\$ 1,943,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18,342	-	-	-	34	-	68	-	29
1,610,803	-	-	-	-	-	-	-	-
626,667	-	-	-	-	-	-	-	-
245,378	-	5,104	75,129	25,558	4,207	14,965	925	31,662
2,501,190	-	5,104	75,129	25,592	4,207	15,033	925	31,691
32,058	-	-	-	-	-	-	-	-
\$ 4,477,192	\$ -	\$ 5,104	\$ 75,129	\$ 25,592	\$ 4,207	\$ 15,033	\$ 925	\$ 31,691
\$ 558,089	\$ 8,411	\$ 2,585	\$ 45	\$ -	\$ -	\$ -	\$ -	\$ -
1,262,568	1,815	-	-	-	-	-	-	-
651,667	-	-	-	-	-	-	-	-
2,472,324	10,226	2,585	45	-	-	-	-	-
32,058	-	-	-	-	-	-	-	-
1,972,810	(10,226)	2,519	75,084	25,592	4,207	15,033	925	31,691
2,004,868	(10,226)	2,519	75,084	25,592	4,207	15,033	925	31,691
\$ 4,477,192	\$ -	\$ 5,104	\$ 75,129	\$ 25,592	\$ 4,207	\$ 15,033	\$ 925	\$ 31,691

(Continued)

Town of Cortlandt, New York

Special Districts Fund

Combining Balance Sheet - Sub-Funds (Continued)

December 31, 2015

(With Comparative Totals for 2014)

	Sewer Districts (Continued)					Ambulance Districts		
	Hollow- brook Ridge	Red Oaks	Country Woods	Waterbury Manor	Emery Ridge	Cortlandt #1	Cortlandt #2	Cortlandt #3
ASSETS								
Cash and equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables								
Accounts	-	545	-	-	-	-	312,158	-
Water rents	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	1,862	90,034	-
Due from other funds	1,540	16,362	13,065	6,972	18,534	76,835	880,809	541
	1,540	16,907	13,065	6,972	18,534	78,697	1,283,001	541
Prepaid expenditures	-	-	-	-	-	-	-	-
Total Assets	\$ 1,540	\$ 16,907	\$ 13,065	\$ 6,972	\$ 18,534	\$ 78,697	\$ 1,283,001	\$ 541
LIABILITIES AND FUND BALANCES (DEFICITS)								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,924	\$ 151,083	\$ -
Due to other funds	-	-	-	-	-	-	245,378	-
Unearned revenues	-	-	9,500	-	-	-	-	-
Total Liabilities	-	-	9,500	-	-	37,924	396,461	-
Fund balances (deficits)								
Nonspendable	-	-	-	-	-	-	-	-
Assigned	1,540	16,907	3,565	6,972	18,534	40,773	886,540	541
Total Fund Balances (Deficits)	1,540	16,907	3,565	6,972	18,534	40,773	886,540	541
Total Liabilities and Fund Balances (Deficits)	\$ 1,540	\$ 16,907	\$ 13,065	\$ 6,972	\$ 18,534	\$ 78,697	\$ 1,283,001	\$ 541

Park Districts		Drainage Districts						Improve- ment District	Totals	
Putnam Colony	Continental Village	North Cortlandt	Ridgevale	West- chester Mall	Skytop	Lafayette	Hollow- brook Ridge	Mohegan Lake	2015	2014
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,943,944	\$ 3,300,874
-	-	-	-	-	-	-	-	-	331,176	45,727
-	-	-	-	-	-	-	-	-	1,610,803	1,601,921
-	-	-	-	-	-	-	-	-	718,563	871,963
51,660	888	2,800	2,758	3,761	583	6,913	1,111	31,476	1,532,622	1,894,023
51,660	888	2,800	2,758	3,761	583	6,913	1,111	31,476	4,193,164	4,413,634
-	-	-	-	-	-	-	-	-	32,058	27,954
<u>\$ 51,660</u>	<u>\$ 888</u>	<u>\$ 2,800</u>	<u>\$ 2,758</u>	<u>\$ 3,761</u>	<u>\$ 583</u>	<u>\$ 6,913</u>	<u>\$ 1,111</u>	<u>\$ 31,476</u>	<u>\$ 6,169,166</u>	<u>\$ 7,742,462</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 758,137	\$ 847,634
-	-	-	-	-	-	-	-	-	1,539,633	2,646,170
-	-	-	-	-	-	-	-	-	661,167	841,167
-	-	-	-	-	-	-	-	-	2,958,937	4,334,971
-	-	-	-	-	-	-	-	-	32,058	27,954
51,660	888	2,800	2,758	3,761	583	6,913	1,111	31,476	3,178,171	3,379,537
51,660	888	2,800	2,758	3,761	583	6,913	1,111	31,476	3,210,229	3,407,491
<u>\$ 51,660</u>	<u>\$ 888</u>	<u>\$ 2,800</u>	<u>\$ 2,758</u>	<u>\$ 3,761</u>	<u>\$ 583</u>	<u>\$ 6,913</u>	<u>\$ 1,111</u>	<u>\$ 31,476</u>	<u>\$ 6,169,166</u>	<u>\$ 7,742,462</u>

Town of Cortlandt, New York

Special Districts Fund
Combining Schedule Of Revenues, Expenditures and Changes
In Fund Balances - Sub-Funds
Year Ended December 31, 2015
(With Comparative Totals for 2014)

	Fire Protection Districts					Water District
	Dogwood Road	Furnace Dock Road	Mt. Airy Quaker Bridge	North Cortlandt	Continental Village	Consolidated
REVENUES						
Real property taxes	\$ -	\$ 48,809	\$ 422,554	\$ -	\$ 155,027	\$ 1,244,035
Departmental income	-	-	-	-	-	5,851,996
Intergovernmental charges	-	-	-	-	-	195,676
Use of money and property	-	-	-	-	-	1,943
Total Revenues	-	48,809	422,554	-	155,027	7,293,650
EXPENDITURES						
Current						
General government support	-	-	-	-	-	74,630
Public safety	-	55,443	411,150	-	161,000	-
Health	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Home and community services	-	-	-	-	-	5,656,581
Employee benefits	-	-	-	-	-	623,123
Debt service	-	-	-	-	-	-
Interest	-	-	-	-	-	5,505
Total Expenditures	-	55,443	411,150	-	161,000	6,359,839
Excess (Deficiency) of Revenues Over Expenditures	-	(6,634)	11,404	-	(5,973)	933,811
OTHER FINANCING SOURCES (USES)						
Insurance recoveries	-	-	-	-	-	-
Transfers in	-	-	-	-	-	72,500
Transfers out	-	-	-	-	-	(1,193,734)
Total Other Financing Sources (Uses)	-	-	-	-	-	(1,121,234)
Net Change in Fund Balances	-	(6,634)	11,404	-	(5,973)	(187,423)
FUND BALANCES (DEFICITS)						
Beginning of Year	1,231	12,499	(37,601)	5,990	2,298	2,192,291
End of Year	\$ 1,231	\$ 5,865	\$ (26,197)	\$ 5,990	\$ (3,675)	\$ 2,004,868

Lighting Districts			Sewer Districts						
Montrose	Verplanck	North Cortlandt	Fawn Ridge	Conklin Park	Conklin Park East	Skytop	Lafayette	Hollowbrook Ridge	
\$ 95,056	\$ 35,623	\$ 508	\$ 10,021	\$ 1,000	\$ 5,216	\$ 2,001	\$ 5,498	\$ 3,000	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	167	-	68	-	1,380	-	
95,056	35,623	508	10,188	1,000	5,284	2,001	6,878	3,000	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
82,345	25,178	447	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
82,345	25,178	447	-	-	-	-	-	-	
12,711	10,445	61	10,188	1,000	5,284	2,001	6,878	3,000	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	(10,000)	(1,000)	(5,213)	(2,001)	(15,947)	(3,000)	
-	-	-	(10,000)	(1,000)	(5,213)	(2,001)	(15,947)	(3,000)	
12,711	10,445	61	188	-	71	-	(9,069)	-	
(22,937)	(7,926)	75,023	25,404	4,207	14,962	925	40,760	1,540	
\$ (10,226)	\$ 2,519	\$ 75,084	\$ 25,592	\$ 4,207	\$ 15,033	\$ 925	\$ 31,691	\$ 1,540	

(Continued)

Town of Cortlandt, New York

Special Districts Fund

Combining Schedule Of Revenues, Expenditures and Changes

In Fund Balances - Sub-Funds (Continued)

Year Ended December 31, 2015

(With Comparative Totals for 2014)

	Sewer Districts (Continued)				Ambulance Districts		
	Red Oaks	Country Woods	Waterbury Manor	Emery Ridge	Cortlandt #1	Cortlandt #2	Cortlandt #3
REVENUES							
Real property taxes	\$ 30,864	\$ 1,503	\$ 2,011	\$ 10,633	\$ 300,081	\$ 80,051	\$ 245,153
Departmental income	-	-	-	-	-	177,086	-
Intergovernmental charges	-	-	-	-	-	-	-
Use of money and property	545	81	-	-	-	-	-
Total Revenues	31,409	1,584	2,011	10,633	300,081	257,137	245,153
EXPENDITURES							
Current							
General government support	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health	-	-	-	-	143,928	925,409	-
Transportation	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	143,928	925,409	-
Excess (Deficiency) of Revenues Over Expenditures	31,409	1,584	2,011	10,633	156,153	(668,272)	245,153
OTHER FINANCING SOURCES (USES)							
Insurance recoveries	-	-	-	-	-	275,309	-
Transfers in	-	-	-	-	-	400,000	-
Transfers out	(33,860)	(1,500)	-	(10,632)	(155,000)	(21,482)	(245,000)
Total Other Financing Sources (Uses)	(33,860)	(1,500)	-	(10,632)	(155,000)	653,827	(245,000)
Net Change in Fund Balances	(2,451)	84	2,011	1	1,153	(14,445)	153
FUND BALANCES (DEFICITS)							
Beginning of Year	19,358	3,481	4,961	18,533	39,620	900,985	388
End of Year	\$ 16,907	\$ 3,565	\$ 6,972	\$ 18,534	\$ 40,773	\$ 886,540	\$ 541

Park Districts		Drainage Districts						Improve- ment District	Totals	
Putnam Colony	Continental Village	North Cortlandt	Ridgevale	West- chester Mail	Skytop	Lafayette	Hollow- brook Ridge	Mohegan Lake	2015	2014
\$ -	\$ 5,935	\$ -	\$ 10,000	\$ 10,003	\$ -	\$ 1,505	\$ 3,001	\$ 512	\$ 2,729,600	\$ 2,736,599
-	-	-	-	-	-	-	-	-	6,029,082	5,829,003
-	-	-	-	-	-	-	-	-	195,676	191,888
-	-	-	-	-	-	-	-	-	4,184	14,611
-	5,935	-	10,000	10,003	-	1,505	3,001	512	8,958,542	8,572,101
-	-	-	-	-	-	-	-	-	74,630	61,020
-	-	-	-	-	-	-	-	-	627,593	620,533
-	-	-	-	-	-	-	-	-	1,069,337	790,020
-	-	-	-	-	-	-	-	-	107,970	116,794
-	-	-	-	-	-	-	-	10,071	5,666,652	5,319,927
-	-	-	-	-	-	-	-	-	623,123	502,006
-	-	-	-	-	-	-	-	-	5,505	6,110
-	-	-	-	-	-	-	-	10,071	8,174,810	7,416,410
-	5,935	-	10,000	10,003	-	1,505	3,001	(9,559)	783,732	1,155,691
-	-	-	-	-	-	-	-	-	275,309	-
-	-	-	-	-	-	-	-	-	472,500	442,500
-	(5,935)	-	(9,999)	(10,000)	-	(1,500)	(3,000)	-	(1,728,803)	(2,439,197)
-	(5,935)	-	(9,999)	(10,000)	-	(1,500)	(3,000)	-	(980,994)	(1,996,697)
-	-	-	1	3	-	5	1	(9,559)	(197,262)	(841,006)
51,660	888	2,800	2,757	3,758	583	6,908	1,110	41,035	3,407,491	4,248,497
<u>\$ 51,660</u>	<u>\$ 888</u>	<u>\$ 2,800</u>	<u>\$ 2,758</u>	<u>\$ 3,761</u>	<u>\$ 583</u>	<u>\$ 6,913</u>	<u>\$ 1,111</u>	<u>\$ 31,476</u>	<u>\$ 3,210,229</u>	<u>\$ 3,407,491</u>

Town of Cortlandt, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	2015	2014
ASSETS		
Cash and equivalents	\$ 6,095,009	\$ 5,063,586
Receivables		
Accounts	275,000	-
State and Federal aid	167,475	756,544
Due from other funds	18,174	824,165
	460,649	1,580,709
Total Assets	\$ 6,555,658	\$ 6,644,295
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 40,754	\$ 131,785
Retainage payable	-	33,531
Due to other funds	2,496,021	2,910,902
Bond anticipation notes payable	1,300,000	600,000
Unearned revenues	490,000	490,000
Total Liabilities	4,326,775	4,166,218
Fund balance		
Restricted	2,228,883	2,478,077
Total Liabilities and Fund Balance	\$ 6,555,658	\$ 6,644,295

Town of Cortlandt, New York**Capital Projects Fund****Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance**

Years Ended December 31,

	2015	2014
REVENUES		
State aid	\$ 89,929	\$ 224,430
Federal aid	223,937	7,196
Miscellaneous	275,000	23,838
Total Revenues	588,866	255,464
EXPENDITURES		
Capital outlay	1,234,715	1,310,960
Deficiency of Revenues Over Expenditures	(645,849)	(1,055,496)
OTHER FINANCING SOURCES (USES)		
Transfers in	433,335	963,643
Transfers out	(36,680)	-
Total Other Financing Sources	396,655	963,643
Net Change in Fund Balance	(249,194)	(91,853)
FUND BALANCE		
Beginning of Year	2,478,077	2,569,930
End of Year	\$ 2,228,883	\$ 2,478,077

Town of Cortlandt, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project through December 31, 2015

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance	Revenues	Fund Balance (Deficit) at December 31, 2015	Bond Anticipation Notes Outstanding at December 31, 2015
Highway Project - Bridge	\$ 838,500	\$ 96,130	\$ 742,370	\$ 838,500	\$ 742,370	\$ -
Jacobs Hill Intersection	1,100,000	806,456	293,544	806,456	-	-
Lafayette Sewer	432,500	403,623	28,877	432,500	28,877	-
Lafayette Drainage	15,000	7,500	7,500	15,000	7,500	-
Skytop Drainage	50,000	-	50,000	50,000	50,000	-
Skytop Sewer	41,000	-	41,000	41,000	41,000	-
Fawn Ridge Sewer	160,000	-	160,000	160,000	160,000	-
North Cortlandt Drainage District	368,000	83,074	284,926	368,000	284,926	-
Westchester Mall Drainage	537,500	72,399	465,101	537,500	465,101	-
Country Woods Sewer	10,000	-	10,000	10,000	10,000	-
Putnam Colony Park	42,500	6,870	35,630	42,500	35,630	-
Cortlandt Boulevard Streetscape	115,269	115,269	-	95,859	(19,410)	-
Sunset Park Improvements	35,000	25,500	9,500	25,500	-	-
Sprout Brook Water Mains	11,000	8,970	2,030	11,000	2,030	-
Annsville Circle Pedestrian Path	1,405,000	68,165	1,336,835	68,165	-	-
Jacobs Hill Booster	267,198	262,226	4,972	262,226	-	-
Forestry Grant	7,500	3,185	4,315	3,185	-	-
Septic Cleaning and Repair	312,500	226,338	86,162	312,500	86,162	-
Youth Center at Memorial Drive	2,100,000	2,092,044	7,956	2,100,000	7,956	-
Route 6/Westbrook Drive Intersection	700,000	124,450	575,550	124,450	-	-
Furnace Dock Lake	1,710,470	1,666,799	43,671	1,675,443	8,644	-
Route 6 Betterments	1,500,000	1,499,982	18	1,500,000	18	-
Illicit Discharge Storm Water System	100,724	100,724	-	100,000	(724)	-
Montrose Drainage Study	100,000	98,826	1,174	98,826	-	-
Lake Meahagh Park Improvements	1,128,473	1,120,938	7,535	1,113,474	(7,464)	-
Croton Park Water Tank	1,224,700	1,219,478	5,222	1,218,064	(1,414)	-
Montrose Sidewalk Improvements	165,000	147,109	17,891	165,000	17,891	-
Verplanck Shoreline/Martin Property	2,877,632	2,632,049	245,583	2,877,632	245,583	-
Safe Skate Park	744,194	741,662	2,532	744,194	2,532	-
Oregon Road Improvements	1,557,390	1,557,127	263	1,557,390	263	-
Springvale Sidewalks	135,000	37,538	97,462	37,538	-	-
Community Center Playground	173,860	173,467	393	173,860	393	-
Nonwest Classroom Renovations	149,170	147,548	1,622	149,170	1,622	-
Sprout Brook Dog Park	50,500	47,536	2,964	47,536	-	-
Purchase of Vehicles - Townwide	535,000	448,859	86,141	535,000	86,141	-
Purchase of Vehicles - Town Outside Villages	1,514,000	1,399,834	114,166	1,514,000	114,166	-
Purchase of Vehicles - Consolidated Water	489,000	363,626	125,374	489,000	125,374	-
Filtration Plant	11,095,698	10,976,764	118,934	11,095,698	118,934	-
Condon Building Renovations	365,000	308,825	56,175	365,000	56,175	-
Central Data Processing	80,000	73,122	6,878	80,000	6,878	-
Kings Ferry Sidewalk	890,493	822,503	67,990	890,493	67,990	-
Cook Park Improvements	2,097,510	2,094,618	2,892	2,097,510	2,892	-
Geis Block Sewer	100,000	96,533	3,467	100,000	3,467	-
Broadway Boulevard Repairs	500,000	8,708	491,292	250,000	241,292	-
Gateway Park	55,000	24,120	30,880	49,120	25,000	-
Conklin East Sewer	834,865	834,126	739	834,865	739	-
Broadway Boulevard Sidewalks	1,314,236	944,788	369,448	944,787	(1)	-
Cortlandt Lake Dam	257,542	240,009	17,533	257,542	17,533	-
Annsville Creek Marsh Path	35,000	17,894	17,106	17,894	-	-
Continental Village Water Main Replacement	907,980	907,980	-	357,980	(550,000)	550,000
Route 9A Sidewalks	26,908	11,586	15,322	26,908	15,322	-
Rowing Dock at Waterfront Park	100,000	4,792	95,208	4,792	-	-
Jacob Hill Water Main Ext- Gabriel Drive	500,000	12,514	487,486	-	(12,514)	-
Sprout Brook Lax/ All Purpose Field	750,000	259,991	490,009	-	(259,991)	750,000
Totals	\$ 42,613,812	\$ 35,444,174	\$ 7,169,638	\$ 37,673,057	\$ 2,228,883	\$ 1,300,000

NON-MAJOR GOVERNMENTAL FUNDS

- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.
- **Debt Service Fund** - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

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Town of Cortlandt, New York

Non-Major Governmental Funds
Combining Balance Sheet
December 31, 2015
(With Comparative Totals for 2014)

			Total Non-Major Governmental Funds	
	Special Purpose	Debt Service	2015	2014
ASSETS				
Cash and equivalents	\$ 22,839	\$ 8,911	\$ 31,750	\$ 65,708
Due from other funds	-	2,470,706	2,470,706	2,857,303
Total Assets	<u>\$ 22,839</u>	<u>\$ 2,479,617</u>	<u>\$ 2,502,456</u>	<u>\$ 2,923,011</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Bond interest and matured bonds payable	\$ -	\$ 9,171	\$ 9,171	\$ 9,171
Due to other funds	-	3,383	3,383	3,383
Total Liabilities	<u>-</u>	<u>12,554</u>	<u>12,554</u>	<u>12,554</u>
Fund balances				
Restricted	22,839	1,982,063	2,004,902	2,520,457
Assigned	-	485,000	485,000	390,000
Total Fund Balances	<u>22,839</u>	<u>2,467,063</u>	<u>2,489,902</u>	<u>2,910,457</u>
Total Liabilities and Fund Balances	<u>\$ 22,839</u>	<u>\$ 2,479,617</u>	<u>\$ 2,502,456</u>	<u>\$ 2,923,011</u>

Town of Cortlandt, New York

Non-Major Governmental Funds

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances

Year Ended December 31, 2015

(With Comparative Totals for 2014)

	Special Purpose	Debt Service	Total Non-Major Governmental Funds	
			2015	2014
REVENUES				
Departmental income	\$ 66,000	\$ -	\$ 66,000	\$ 78,000
Use of money and property	42	3,398	3,440	5,910
Total Revenues	66,042	3,398	69,440	83,910
EXPENDITURES				
Debt service				
Serial Bonds				
Principal	-	1,249,000	1,249,000	1,319,000
Interest	-	204,035	204,035	244,629
Total Expenditures	-	1,453,035	1,453,035	1,563,629
Excess (Deficiency) of Revenues Over Expenditures	66,042	(1,449,637)	(1,383,595)	(1,479,719)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,564	1,453,040	1,463,604	1,563,628
Transfers out	(110,564)	(390,000)	(500,564)	(487,319)
Total Other Financing Sources (Uses)	(100,000)	1,063,040	963,040	1,076,309
Net Change in Fund Balances	(33,958)	(386,597)	(420,555)	(403,410)
FUND BALANCES				
Beginning of Year	56,797	2,853,660	2,910,457	3,313,867
End of Year	\$ 22,839	\$ 2,467,063	\$ 2,489,902	\$ 2,910,457

Town of Cortlandt, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and equivalents	<u>\$ 22,839</u>	<u>\$ 56,797</u>
FUND BALANCE		
Restricted	<u>\$ 22,839</u>	<u>\$ 56,797</u>

Town of Cortlandt, New York

Special Purpose Fund

**Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,**

	<u>2015</u>	<u>2014</u>
REVENUES		
Departmental income	\$ 66,000	\$ 78,000
Use of money and property	<u>42</u>	<u>17</u>
Total Revenues	<u>66,042</u>	<u>78,017</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	10,564	-
Transfers out	<u>(110,564)</u>	<u>(27,319)</u>
Total Other Financing Uses	<u>(100,000)</u>	<u>(27,319)</u>
Net Change in Fund Balance	(33,958)	50,698
FUND BALANCE		
Beginning of Year	<u>56,797</u>	<u>6,099</u>
End of Year	<u>\$ 22,839</u>	<u>\$ 56,797</u>

Town of Cortlandt, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	2015	2014
ASSETS		
Cash and equivalents	\$ 8,911	\$ 8,911
Due from other funds	2,470,706	2,857,303
Total Assets	<u>\$ 2,479,617</u>	<u>\$ 2,866,214</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Bond interest and matured bonds payable	\$ 9,171	\$ 9,171
Due to other funds	3,383	3,383
Total Liabilities	<u>12,554</u>	<u>12,554</u>
Fund balance		
Restricted	1,982,063	2,463,660
Assigned	485,000	390,000
Total Fund Balance	<u>2,467,063</u>	<u>2,853,660</u>
Total Liabilities and Fund Balance	<u>\$ 2,479,617</u>	<u>\$ 2,866,214</u>

Town of Cortlandt, New York

Debt Service Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended December 31,

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 3,398	\$ 3,398
EXPENDITURES				
Debt service				
Serial bonds				
Principal	1,249,000	1,249,000	1,249,000	-
Interest	211,289	211,289	204,035	7,254
Total Expenditures	1,460,289	1,460,289	1,453,035	7,254
Deficiency of Revenues Over Expenditures	(1,460,289)	(1,460,289)	(1,449,637)	10,652
OTHER FINANCING SOURCES (USES)				
Transfers in	1,460,289	1,460,289	1,453,040	(7,249)
Transfers out	(390,000)	(390,000)	(390,000)	-
Total Other Financing Sources	1,070,289	1,070,289	1,063,040	(7,249)
Net Change in Fund Balance	(390,000)	(390,000)	(386,597)	3,403
FUND BALANCE				
Beginning of Year	390,000	390,000	2,853,660	2,463,660
End of Year	\$ -	\$ -	\$ 2,467,063	\$ 2,467,063

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 5,893	\$ 5,893
1,319,000	1,319,000	1,319,000	-
253,488	253,488	244,629	8,859
1,572,488	1,572,488	1,563,629	8,859
(1,572,488)	(1,572,488)	(1,557,736)	14,752
1,572,488	1,572,488	1,563,628	(8,860)
(490,000)	(490,000)	(460,000)	30,000
1,082,488	1,082,488	1,103,628	21,140
(490,000)	(490,000)	(454,108)	35,892
490,000	490,000	3,307,768	2,817,768
\$ -	\$ -	\$ 2,853,660	\$ 2,853,660

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INTERNAL SERVICE FUNDS

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Workers' Compensation Benefits Fund is used to account for the payment of workers' compensation claims.

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Town of Cortlandt, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and equivalents	<u>\$ 550,408</u>	<u>\$ 426,783</u>
LIABILITIES		
Current liabilities		
Accounts payable	7,478	6,576
Current portion of claims payable	<u>580,000</u>	<u>580,000</u>
Total Current Liabilities	587,478	586,576
Claims payable, less current portion	<u>1,721,860</u>	<u>1,581,186</u>
Total Liabilities	<u>2,309,338</u>	<u>2,167,762</u>
NET POSITION		
Deficit	<u><u>\$ (1,758,930)</u></u>	<u><u>\$ (1,740,979)</u></u>

Town of Cortlandt, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	2015	2014
OPERATING REVENUES		
Charges for services	\$ 610,000	\$ 384,000
Insurance recoveries	-	22,277
Total Operating Revenues	610,000	406,277
OPERATING EXPENSES		
Employee benefits	628,301	541,364
Loss from Operations	(18,301)	(135,087)
NON-OPERATING REVENUES		
Interest income	350	360
Change in Net Position	(17,951)	(134,727)
NET POSITION		
Beginning of Year	(1,740,979)	(1,606,252)
End of Year	<u>\$ (1,758,930)</u>	<u>\$ (1,740,979)</u>

Town of Cortlandt, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 610,000	\$ 384,000
Cash received from insurance carrier	-	22,277
Cash payments to insurance carriers and claimants	(486,725)	(582,312)
Net Cash from Operating Activities	123,275	(176,035)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	350	360
Net Change in Cash and Equivalents	123,625	(175,675)
CASH AND EQUIVALENTS		
Beginning of Year	426,783	602,458
End of Year	\$ 550,408	\$ 426,783
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (18,301)	\$ (135,087)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts payable	902	6,465
Claims payable	140,674	(47,413)
Net Cash from Operating Activities	\$ 123,275	\$ (176,035)

Town of Cortlandt, New York

Fiduciary Funds - Agency Fund
Statement of Changes in Assets and Liabilities
Year Ended December 31, 2015

	Balance January 1, 2015	Increases	Decreases	Balance December 31, 2015
ASSETS				
Cash and equivalents	\$ 781,017	\$ 822,181,515	\$ 821,840,201	\$ 1,122,331
Accounts receivable	41,042	13,521,373	13,562,415	-
Total Assets	<u>\$ 822,059</u>	<u>\$ 835,702,888</u>	<u>\$ 835,402,616</u>	<u>\$ 1,122,331</u>
LIABILITIES				
Accounts payable	\$ -	\$ 5,781,595	\$ 5,509,896	\$ 271,699
Employee payroll deductions	34,190	11,460,771	11,445,771	49,190
Deposits	787,869	227,459	213,886	801,442
Total Liabilities	<u>\$ 822,059</u>	<u>\$ 17,469,825</u>	<u>\$ 17,169,553</u>	<u>\$ 1,122,331</u>

STATISTICAL SECTION
(unaudited)

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Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

Town of Cortlandt, New York

**Net Position by Component
Last Ten Fiscal Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Primary Government				
Net Investment in Capital Assets	\$ 30,494,650	\$ 69,095,397	\$ 61,364,605	\$ 61,063,877
Restricted	11,541,404	11,390,871	11,890,029	11,671,804
Unrestricted	<u>8,244,869</u>	<u>1,071,716</u>	<u>6,648,180</u>	<u>3,894,790</u>
Total Primary Government				
Net Position	<u>\$ 50,280,923</u>	<u>\$ 81,557,984</u>	<u>\$ 79,902,814</u>	<u>\$ 76,630,471</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 58,344,821	\$ 56,646,805	\$ 55,235,224	\$ 54,507,066	\$ 54,544,570	\$ 53,892,881
11,783,392	10,740,878	10,966,928	10,874,871	8,131,947	7,050,303
1,817,340	(541,225)	(2,768,751)	(4,868,227)	(7,769,947)	(9,198,564)
<u>\$ 71,945,553</u>	<u>\$ 66,846,458</u>	<u>\$ 63,433,401</u>	<u>\$ 60,513,710</u>	<u>\$ 54,906,570</u>	<u>\$ 51,744,620</u>

Town of Cortlandt, New York

**Changes in Net Position
Last Ten Fiscal Years**

	2006	2007	2008	2009
Governmental Activities				
Expenses				
General government support	\$ 7,181,821	\$ 7,394,157	\$ 7,298,433	\$ 7,872,287
Public safety	2,032,870	2,281,120	2,264,517	2,425,765
Health	474,394	410,098	549,872	533,904
Transportation	5,833,047	7,175,245	7,437,345	7,142,208
Economic opportunity and development	911,516	931,837	1,054,067	983,266
Culture and recreation	5,617,783	5,732,064	5,821,278	5,827,346
Home and community services	8,687,783	11,172,585	12,315,300	10,998,503
Interest	576,200	522,696	500,799	470,352
Total Primary Government Expenses	31,315,414	35,619,802	37,241,611	36,253,631
Program Revenues				
Charges for Services				
General government support	155,555	152,524	153,572	145,845
Public safety	622,390	906,937	484,546	478,745
Health	101,873	37,059	65,779	115,254
Transportation	15,736	15,989	18,395	22,271
Culture and recreation	1,206,922	1,212,080	1,827,957	1,177,221
Home and community services	4,590,279	4,290,725	5,421,356	4,542,657
Interest	79,173	75,820	69,750	63,777
Operating Grants and Contributions	1,167,033	1,499,228	1,213,479	914,042
Capital Grants and Contributions	1,044,246	1,703,577	491,150	427,163
Total Primary Government Program Revenues	8,983,207	9,893,939	9,745,984	7,886,975
Total Primary Government net expense	(22,332,207)	(25,725,863)	(27,495,627)	(28,366,656)
General Revenues				
Taxes				
Real Property Taxes	16,620,445	17,079,638	17,765,100	18,402,938
Other Tax Items	1,177,136	1,294,940	1,315,732	1,509,976
Non-property Taxes	3,743,721	3,968,585	3,934,322	3,510,046
Unrestricted Use of Money and Property	654,540	761,800	299,125	65,321
Unrestricted State aid	2,792,500	2,611,120	1,801,958	1,349,879
Miscellaneous	129,790	147,597	304,220	256,153
Insurance Recoveries	-	-	-	-
Gain (Loss) on Sale of Real Property	-	-	420,000	-
Total Primary Government	25,118,132	25,863,680	25,840,457	25,094,313
Change in Net Position				
Total Primary Government	\$ 2,785,925	\$ 137,817	\$ (1,655,170)	\$ (3,272,343)

2010	2011	2012	2013	2014	2015
\$ 7,394,526	\$ 7,499,942	\$ 7,504,770	\$ 7,344,888	\$ 7,916,968	\$ 6,706,694
2,360,174	2,525,725	2,491,102	2,301,858	2,638,189	2,651,572
651,495	796,722	766,737	1,056,847	838,335	1,117,634
7,630,245	8,159,125	7,629,644	10,866,697	10,490,811	9,187,620
851,399	890,511	1,030,479	902,430	937,365	844,603
6,415,837	6,135,245	6,322,241	6,496,403	6,391,835	6,579,896
13,845,810	12,733,023	13,097,127	13,529,853	13,213,205	14,226,045
444,369	361,560	310,592	276,059	246,016	205,785
39,593,855	39,101,853	39,152,692	42,775,035	42,672,724	41,519,849
159,494	177,781	178,740	188,501	167,225	235,248
800,709	485,960	496,162	609,848	538,224	716,196
46,810	227,220	185,637	283,109	127,591	177,086
19,780	20,332	17,677	18,741	18,771	18,509
1,244,943	1,308,824	1,272,781	1,126,808	1,222,022	1,260,109
5,232,901	4,635,177	4,821,413	5,351,811	5,506,842	5,890,864
55,302	-	-	-	-	-
1,971,365	913,435	1,434,749	2,175,227	1,068,793	1,588,718
51,874	661,353	607,009	3,410,811	261,357	592,264
9,583,178	8,430,082	9,014,168	13,164,856	8,910,825	10,478,994
(30,010,677)	(30,671,771)	(30,138,524)	(29,610,179)	(33,761,899)	(31,040,855)
18,547,625	18,705,250	19,804,782	19,175,396	20,474,159	20,463,864
1,692,612	1,542,016	1,566,215	1,704,409	1,686,679	1,806,876
3,776,226	4,070,698	4,128,373	4,402,768	4,596,327	4,512,662
60,811	55,261	34,389	29,245	14,865	7,015
1,196,550	1,173,763	1,188,670	1,294,987	1,037,232	1,239,051
51,935	37,188	3,038	83,683	195,521	199,111
-	-	-	-	149,976	11,393
-	(11,500)	-	-	-	-
25,325,759	25,572,676	26,725,467	26,690,488	28,154,759	28,239,972
\$ (4,684,918)	\$ (5,099,095)	\$ (3,413,057)	\$ (2,919,691)	\$ (5,607,140)	\$ (2,800,883)

Town of Cortlandt, New York

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

	2006	2007	2008	2009
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	618,637	628,837	627,953	188,114
Unreserved	6,657,742	5,481,434	4,532,682	3,053,097
Total General Fund	\$ 7,276,379	\$ 6,110,271	\$ 5,160,635	\$ 3,241,211
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Assigned	-	-	-	-
Reserved	4,449,803	4,828,720	5,180,240	4,681,331
Unreserved, Reported In				
Special Revenue Funds	4,036,238	4,280,196	5,627,912	6,286,892
Capital Projects Fund	5,828,599	3,279,492	1,406,198	1,104,316
Debt Service Fund	-	-	100,000	523,130
Total All Other Governmental Funds	\$ 14,314,640	\$ 12,388,408	\$ 12,314,350	\$ 12,595,669
Total Governmental Funds	\$ 21,591,019	\$ 18,498,679	\$ 17,474,985	\$ 15,836,880

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

2010	2011 (1)	2012	2013	2014	2015
\$ -	\$ 142,271	\$ 208,335	\$ 260,527	\$ 204,996	\$ 180,324
-	252,300	253,606	252,396	277,410	341,947
-	1,161,310	1,049,302	862,319	860,042	859,334
-	2,333,694	1,650,688	2,033,730	2,686,279	2,798,653
611,339	-	-	-	-	-
4,473,923	-	-	-	-	-
<u>\$ 5,085,262</u>	<u>\$ 3,889,575</u>	<u>\$ 3,161,931</u>	<u>\$ 3,408,972</u>	<u>\$ 4,028,727</u>	<u>\$ 4,180,258</u>
\$ -	\$ 176,684	\$ 250,886	\$ 323,706	\$ 260,904	\$ 220,397
-	7,261,548	6,673,780	5,393,797	4,998,534	4,233,785
-	8,185,409	9,284,097	10,822,457	7,699,245	7,327,532
4,512,589	-	-	-	-	-
7,531,669	-	-	-	-	-
3,883,325	-	-	-	-	-
518,630	-	-	-	-	-
<u>\$ 16,446,213</u>	<u>\$ 15,623,641</u>	<u>\$ 16,208,763</u>	<u>\$ 16,539,960</u>	<u>\$ 12,958,683</u>	<u>\$ 11,781,714</u>
<u>\$ 21,531,475</u>	<u>\$ 19,513,216</u>	<u>\$ 19,370,694</u>	<u>\$ 19,948,932</u>	<u>\$ 16,987,410</u>	<u>\$ 15,961,972</u>

Town of Cortlandt, New York

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

	2006	2007	2008	2009
Revenues				
Real property taxes	\$ 16,412,183	\$ 16,689,855	\$ 17,220,065	\$ 18,338,241
Other tax items	1,177,136	1,294,940	1,315,732	1,509,976
Non-property taxes	3,743,721	3,968,585	3,934,322	3,510,046
Departmental income	6,273,633	6,096,615	7,446,041	6,093,363
Intergovernmental charges	460,038	500,937	498,501	463,807
Use of money and property	1,544,416	1,562,188	727,985	241,389
Fines and forfeitures	258,192	255,838	191,423	230,720
State aid	3,659,849	3,735,735	2,872,534	2,289,986
Federal aid	75,327	413,035	103,693	219,029
Miscellaneous	510,593	1,095,737	478,510	357,133
Total Revenues	34,115,088	35,613,465	34,788,806	33,253,690
Expenditures				
Current				
General government support	5,733,409	5,653,918	5,516,317	6,049,606
Public safety	1,758,629	1,895,198	1,850,802	1,898,887
Health	474,394	410,098	549,872	533,904
Transportation	4,585,271	5,319,321	4,919,521	5,239,951
Economic opportunity and development	720,345	717,100	797,698	713,304
Culture and recreation	4,399,087	4,559,384	4,601,580	4,483,951
Home and community services	7,394,663	8,049,040	8,438,711	7,963,041
Employee benefits	5,360,325	5,662,488	5,794,754	5,113,975
Debt Service				
Principal	1,060,000	1,075,000	1,100,000	1,100,000
Interest	573,860	531,132	486,601	473,508
Capital Outlay	3,239,465	4,833,126	2,176,644	1,711,668
Total Expenditures	35,299,448	38,705,805	36,232,500	35,281,795
Excess (Deficiency) of Revenues Over Expenditures	(1,184,360)	(3,092,340)	(1,443,694)	(2,028,105)
Other Financing Sources (Uses):				
Bonds issued	-	-	-	390,000
Insurance recoveries	-	-	-	-
Transfers in	4,350,241	3,360,733	2,734,787	2,680,291
Transfers out	(4,350,241)	(3,360,733)	(2,734,787)	(2,680,291)
Total Other Financing Sources	-	-	-	390,000
Net Change in Fund Balances	\$ (1,184,360)	\$ (3,092,340)	\$ (1,443,694)	\$ (1,638,105)
Debt Service as a Percentage of Non-Capital Expenditures	5.1%	4.8%	4.7%	4.9%

2010	2011	2012	2013	2014	2015
\$ 19,261,978	\$ 18,541,067	\$ 18,840,909	\$ 19,588,185	\$ 20,636,288	\$ 20,132,561
1,692,612	1,542,016	1,566,215	1,704,409	1,686,679	1,806,876
3,776,226	4,070,698	4,128,373	4,402,768	4,596,327	4,512,662
6,971,196	6,740,439	6,962,827	7,491,233	7,217,829	7,685,165
483,930	447,562	435,723	442,512	438,873	453,945
272,440	240,272	188,120	166,987	134,082	110,059
530,051	170,710	207,721	297,964	256,474	283,196
2,617,938	1,956,581	2,538,148	4,061,088	1,958,599	2,202,861
404,676	178,633	535,514	1,330,182	223,145	367,462
136,332	578,852	70,663	1,506,846	319,891	854,014
<u>36,147,379</u>	<u>34,466,830</u>	<u>35,474,213</u>	<u>40,992,174</u>	<u>37,468,187</u>	<u>38,408,801</u>
5,265,162	5,159,477	5,049,664	4,979,337	5,522,041	5,172,941
1,867,775	1,980,684	1,977,857	1,967,825	2,142,017	2,254,855
651,495	796,722	766,737	1,056,847	838,335	1,117,634
5,111,331	5,864,795	5,179,991	5,223,321	7,219,385	6,099,102
685,065	676,108	732,825	624,851	655,397	674,003
4,601,178	4,425,896	4,435,707	4,594,313	4,653,237	4,625,220
8,079,465	8,141,925	8,093,729	8,713,374	9,260,924	9,514,532
5,617,808	6,471,472	6,879,742	7,229,341	7,407,650	7,569,399
1,127,000	1,259,000	1,313,000	1,344,000	1,319,000	1,249,000
432,650	399,341	315,885	281,510	250,739	209,540
365,855	1,309,669	871,598	4,399,217	1,310,960	1,234,715
<u>33,804,784</u>	<u>36,485,089</u>	<u>35,616,735</u>	<u>40,413,936</u>	<u>40,579,685</u>	<u>39,720,941</u>
<u>2,342,595</u>	<u>(2,018,259)</u>	<u>(142,522)</u>	<u>578,238</u>	<u>(3,111,498)</u>	<u>(1,312,140)</u>
3,352,000	-	-	-	-	-
-	-	-	-	149,976	286,702
2,719,147	2,898,311	2,929,151	2,670,879	3,504,271	2,830,055
<u>(2,719,147)</u>	<u>(2,898,311)</u>	<u>(2,929,151)</u>	<u>(2,670,879)</u>	<u>(3,504,271)</u>	<u>(2,830,055)</u>
<u>3,352,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,976</u>	<u>286,702</u>
<u>\$ 5,694,595</u>	<u>\$ (2,018,259)</u>	<u>\$ (142,522)</u>	<u>\$ 578,238</u>	<u>\$ (2,961,522)</u>	<u>\$ (1,025,438)</u>

4.8%

4.8%

4.7%

4.2%

4.1%

3.8%

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Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax. These schedules include:

Assessed Value and Estimated Actual Value
of Taxable Property

Direct and Overlapping Property Tax Rates,
Per \$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

Town of Cortlandt, New York

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Year	Residential Property	Commercial Property	Vacant Property	Special Franchise	Total Taxable Assessed Value
2006	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 109,097,741
2007	N/A	N/A	N/A	N/A	108,544,211
2008	N/A	N/A	N/A	N/A	108,552,581
2009	81,301,610	15,057,492	1,409,845	10,899,317	108,668,264
2010	84,333,922	13,939,113	1,384,185	2,932,566	102,589,786
2011	83,424,247	14,284,274	1,429,970	3,024,118	102,162,609
2012	82,782,038	14,728,758	1,368,885	3,696,567	102,576,248
2013	79,676,475	13,484,007	1,319,550	3,308,730	97,788,762
2014	79,546,012	13,880,705	1,623,295	3,510,107	98,560,119
2015	79,597,009	13,864,658	1,340,875	3,278,630	98,081,172

N/A - Information not available

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

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

State Special Equalization Rate (1)	Estimated Actual Taxable Value	Direct Tax Rate			
		Town Wide	Town Outside	Special Districts	Total
1.60 %	\$ 6,818,608,813	\$ 23.37	\$ 141.11	\$ 6.43	\$ 170.91
1.52	7,141,066,513	23.35	147.28	6.62	177.25
1.61	6,742,396,335	23.35	150.48	6.86	180.69
1.62	6,707,917,531	23.76	155.26	6.86	185.88
1.82	5,636,801,429	24.94	157.68	6.85	189.47
1.87	5,463,241,123	26.01	162.57	6.87	195.45
1.86	5,514,852,043	27.26	165.23	6.90	199.39
2.02	4,841,027,822	28.33	169.34	6.92	204.59
1.88	5,242,559,521	31.83	170.79	6.88	209.50
1.84	5,330,498,478	31.81	172.48	6.86	211.15

Town of Cortlandt, New York

Direct and Overlapping Property Tax Rates,
Per \$1,000 of Assessed Valuation
Last Ten Fiscal Years

Year	Total Direct Rate	Overlapping Rates					
		Westchester County				Refuse Disposal District	School Districts (Range)
		Operating	Sewer Districts (Range)				
2006	\$ 170.91	\$ 184.96	\$ 48.97	- \$ 64.01	\$ 21.38	\$ 771.34	- \$ 1,143.96
2007	177.25	183.36	24.48	- 29.47	20.28	819.19	- 1,140.26
2008	180.69	184.28	23.74	- 38.42	17.56	875.25	- 1,193.60
2009	185.88	181.26	24.47	- 38.85	17.10	896.86	- 1,219.62
2010	189.47	190.33	25.52	- 39.51	18.05	934.02	- 1,289.53
2011	195.45	186.33	25.41	- 38.27	18.08	950.81	- 1,304.81
2012	199.39	191.70	26.14	- 39.22	18.58	996.90	- 1,353.48
2013	204.59	194.62	29.09	- 41.07	18.87	997.00	- 1,382.01
2014	209.50	183.97	32.48	- 41.20	17.35	1,014.62	- 1,400.13
2015	211.15	189.11	33.75	- 43.48	17.60	1,009.42	- 1,438.83

Source: Town of Cortlandt Assessor's Office

Town of Cortlandt, New York

Principal Taxpayers

Current Year and Nine Years Ago

2015				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	NYC Acqueduct	Utility	\$ 5,509,805	5.62 %
2	Consolidated Edison	Utility	5,230,308	5.33
3	Acadia Cortlandt LLC	Retail Shops	1,497,400	1.53
4	Springvale Apts	Apts	331,125	0.34
5	Algonquin Gas	Utility	318,947	0.33
6	Scenic Ridge at Amberlands	Real Estate	305,000	0.31
7	NY Telephone	Utility	281,607	0.29
8	Yorkcon Properties	Real Estate	275,600	0.28
9	Curry Properties LLC	Auto Sales	230,775	0.24
10	Amberlands Realty	Real Estate	214,500	0.22
Total			<u>\$ 14,195,067</u>	<u>14.49 %</u>

2006				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	NYC Acqueduct	Utility	\$ 5,375,000	4.93 %
2	Consolidated Edison	Utility	4,610,674	4.23
3	Cortlandt Town Center	Retail Shops	1,593,375	1.46
4	Entergy	Utility	548,000	0.50
5	Amerblands	Real Estate	400,450	0.37
6	Nida Associates, Inc	Real Estate	360,175	0.33
7	Springvale Apts	Elderly Home	331,125	0.30
8	NY Telephone Co	Utility	329,776	0.30
9	Algonquin Gas	Utility	312,517	0.29
10	Yorkon Properties	Real Estate	259,825	0.24
Total			<u>\$ 14,120,917</u>	<u>12.95 %</u>

Town of Cortlandt, New York

Property Tax Levies and Collections Last Ten Fiscal Years

Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 16,860,089	\$ 16,721,599	99.18 %	\$ 58,150	\$ 16,779,749	99.52 %
2007	17,677,175	17,438,553	98.65	73,735	17,512,288	99.07
2008	18,435,839	18,221,769	98.84	78,011	18,299,780	99.26
2009	19,292,619	19,032,934	98.65	105,717	19,138,651	99.20
2010	19,383,739	19,166,453	98.88	73,857	19,240,310	99.26
2011	19,833,302	19,607,588	98.86	19,987	19,627,575	98.96
2012	20,177,975	19,943,933	98.84	90,274	20,034,207	99.29
2013	20,739,573	20,507,280	98.88	23,730	20,531,010	98.99
2014	21,042,697	20,811,704	98.90	27,256	20,838,960	99.03
2015*	21,229,243	21,225,340	99.98	77,888	21,303,228	100.35

(1) Includes tax levy for General, Town Outside Villages, Highway and Special Districts.

* Collections 60 days into subsequent year

Source: Town of Cortlandt Comptroller's Office

Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Net Ratios of General Bonded Debt Outstanding

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information

Town of Cortlandt, New York

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property	Percentage of Personal Income (1)	Per Capita (1)
2006	\$ 13,515,000	12.39 %	1.02 %	\$ 341.15
2007	12,440,000	11.46	0.94	314.01
2008	11,340,000	10.45	0.69	281.91
2009	10,630,000	9.78	0.66	263.48
2010	12,855,000	12.53	0.74	309.07
2011	11,596,000	11.35	0.64	278.80
2012	10,283,000	10.02	0.56	247.24
2013	8,939,000	9.14	0.48	214.92
2014	7,620,000	7.73	0.39	182.48
2015	6,371,000	6.50	0.32	152.22

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

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

Town of Cortlandt, New York

Net Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Percentage of Personal Income (1) (2)	Per Capita (1) (2)
	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total			
2006	\$ 13,515,000	\$ 3,951,127	\$ 9,563,873	8.77 %	0.72 %	\$ 241.41
2007	12,440,000	4,251,608	8,188,392	7.54	0.62	206.69
2008	11,340,000	4,329,673	7,010,327	6.46	0.43	174.27
2009	10,630,000	4,371,251	6,258,749	5.76	0.39	155.13
2010	12,855,000	4,413,611	8,441,389	8.23	0.48	202.96
2011	11,596,000	4,089,104	7,506,896	7.35	0.42	180.49
2012	10,283,000	3,652,704	6,630,296	6.46	0.36	159.41
2013	8,939,000	3,307,768	5,631,232	5.76	0.30	135.39
2014	7,620,000	2,853,660	4,766,340	4.84	0.24	114.14
2015	6,371,000	2,467,063	3,903,937	3.98	0.20	93.28

- (1) - Population and personal income data can be found in the schedule of demographic and economic statistics
(2) - Excludes amounts available in Debt Service Fund

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

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Town of Cortlandt, New York

Direct and Overlapping Governmental Activities Debt December 31, 2015

Government Unit	Net Long-Term Debt Outstanding (1)	Percentage Applicable to Cortlandt (2)	Amount Applicable to Cortlandt
County of Westchester	\$ 562,988,668	3.29 %	\$ 18,541,814
County Solid Waste District	14,205,910	4.19	594,991
County Sewer Districts	516,254,750	1.54	7,937,928
Villages (May 31, 2015):			
Croton	31,959,362	100.00	31,959,362
Buchanan	15,798	100.00	15,798
School Districts (June 30, 2015):			
Croton	18,472,307	96.19	17,769,089
Hendrick Hudson	29,368,443	93.22	27,378,279
Lakeland	41,034,178	43.04	17,662,398
Putnam Valley	9,545,601	10.47	999,591
Yorktown	40,145,000	1.25	502,817
Net Overlapping Debt			123,362,067
Town Direct Debt			6,371,000
Net Direct and Overlapping Debt			<u>\$ 129,733,067</u>

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

(2) The percentage of overlapping debt applicable is estimated using taxable assessed values. Applicable percentages were estimated by determining the portion of the Town's taxable assessed value that is within the government's boundaries and dividing it by the Town's total taxable assessed value.

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

Town of Cortlandt, New York

**Legal Debt Margin Information
Last Ten Fiscal Years**

	2006	2007	2008	2009
Debt Limit	\$ 397,919,758	\$ 446,268,780	\$ 463,818,386	\$ 473,133,087
Total Net Debt Applicable to Limit	3,440,000	3,145,000	2,850,000	2,898,000
Legal Debt Margin	<u>\$ 394,479,758</u>	<u>\$ 443,123,780</u>	<u>\$ 460,968,386</u>	<u>\$ 470,235,087</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.86%	0.70%	0.61%	0.61%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessment Roll				
Year	Budget Year	Assessed Valuation	State Equalization Rate	Full Valuation
2014	2015	\$ 98,081,172	1.84 %	\$ 5330498478
2013	2014	98,560,119	1.88	5,242,559,521
2012	2013	97,788,762	2.02	4,841,027,822
2011	2012	102,576,248	1.86	5,514,852,043
2010	2011	102,162,609	1.87	5,463,241,123
Total Five Year Full Valuation				<u>\$ 21,061,680,509</u>
Five Year Average Full Valuation of Taxable Real Property				<u>5,278,435,797</u>
Debt Limit - 7% of Five Year Average Full Valuation				<u>369,490,506</u>
Outstanding Debt - Serial Bonds				6,371,000
Less:				
Exclusion for Consolidated Water Debt		3,465,765	3,851,560	
Appropriations in 2016 budget (excluding water debt)		<u>307,558</u>		<u>3,773,323</u>
Net Indebtedness Subject to Debt Limit				<u>2,597,677</u>
Net Debt Contracting Margin				<u>\$ 366,892,829</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 467,380,861	\$ 443,679,921	\$ 420,912,918	\$ 394,293,759	\$ 373,778,747	\$ 369,490,506
<u>5,069,939</u>	<u>4,621,027</u>	<u>4,168,351</u>	<u>3,768,438</u>	<u>3,465,765</u>	<u>2,597,677</u>
<u>\$ 462,310,922</u>	<u>\$ 439,058,894</u>	<u>\$ 416,744,567</u>	<u>\$ 390,525,321</u>	<u>\$ 370,312,982</u>	<u>\$ 366,892,829</u>
1.08%	1.04%	0.99%	0.96%	0.93%	0.70%

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place. These schedules include:

Demographic Statistics

Principal Employers

Town of Cortlandt, New York

Demographic Statistics

Last Ten Fiscal Years

Year	Population			Personal Income	Per Capita Income (2)
	Town Outside Villages	Villages	Total		
2006	29,564	10,052	39,616	\$ 1,324,442,112	\$ 33,432
2007	29,564	10,052	39,616	1,324,442,112	33,432
2008	30,055	10,171	40,226	1,646,932,892	40,942
2009	30,147	10,198	40,345	1,616,946,910	40,078
2010	31,292	10,300	41,592	1,744,243,704	41,937
2011	31,292 (1)	10,300 (1)	41,592 (1)	1,804,718,472	43,391
2012	31,292 (1)	10,300 (1)	41,592 (1)	1,848,431,664	44,442
2013	31,292 (1)	10,300 (1)	41,592 (1)	1,848,306,888	44,439
2014	31,929 (1)	10,466 (2)	41,758 (2)	1,955,485,382	46,829 (2)
2015	31,292 (1)	10,562 (2)	41,854 (2)	2,000,453,784	47,796 (2)

Sources:

- (1) 2010 Census
- (2) 2009-2013 American Community survey, U.S. Census Bureau
- (3) New York State Department of Labor
- (4) Provided by the School Districts located within the Town

Unemploy- ment Rate (3)	Public School Enrollment (4)
2.80 %	7,232
4.20	7,339
6.60	7,216
6.30	7,472
6.80	7,174
6.60	6,987
6.60	6,924
5.20	6,834
4.50	6,670
3.90	6,566

Town of Cortlandt, New York

Principal Employers

Current Year and Nine Years Ago

<u>EMPLOYER</u>	2015	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
V.A. Hospital	1,450	7.00 %
Entergy	1,000	4.83
Hudson Valley Hospital	1,257	6.07
Lakeland School District	1,112	5.37
Hendrick Hudson School District	500	2.42
Croton Harmon School District	362	1.75
NY Veterans Nursing Home	356	1.72
Skyview Nursing Home	270	1.30
Walmart	240	1.16
Home Depot	200	0.97
	<u>6,747</u>	<u>32.59 %</u>

<u>EMPLOYER</u>	2006	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Entergy Nuclear Northeast	1,423	13.27 %
Metro North Railroad	1,060	9.88
Hudson Valley Hospital Center	650	6.06
FDR Veterans Hospital	227	2.12
Sky View Nursing Home	220	2.05
Bethel Nursing Rehabilitation Center	200	1.86
Tree Tops at Mohegan Lake	165	1.54
Cortlandt Nursing Care Center	150	1.40
Big V Supermarket	130	1.21
Mines Press	120	1.12
	<u>4,345</u>	<u>40.51 %</u>

Sources: The New York State Department of Labor

Note: Based upon estimated Town employment of 20,700 in 2015 and 10,726 in 2006

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. These schedules include:

Full-Time Equivalent Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

Town of Cortlandt, New York

**Full-Time Equivalent Town Government Employees By Function
Last Ten Fiscal Years**

Function	Full-time Equivalent Employees as of December 31,			
	2006	2007	2008	2009
General Government	77	77	77	77
Public Safety	1	1	-	-
Transportation	34	34	34	34
Culture and Recreation	31	31	31	31
Home and Community Services	48	48	48	48
Total	191	191	190	190

Source: Town Comptroller's Office

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
70	66	65	64	57	59
-	-	-	-	-	-
34	34	34	34	32	31
30	30	30	30	27	25
<u>48</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>50</u>	<u>57</u>
<u>182</u>	<u>177</u>	<u>176</u>	<u>175</u>	<u>166</u>	<u>172</u>

Town of Cortlandt, New York

Operating Indicators by Function/Program Last Ten Fiscal Years

	2006	2007	2008	2009
General Government Support				
Assessor's Office				
STAR Program Exemptions				
Basic	9,487	9,706	9,912	9,994
Enhanced	1,260	1,262	1,272	1,259
Town Comptroller's Office				
W-2's issued	605	598	598	586
1099's issued	155	177	177	153
Vouchers paid	9,043	8,797	9,017	8,594
Justice Court				
Criminal cases	1,054	981	1,041	1,551
Civil cases	555	502	419	270
V and T cases	7,123	7,034	7,248	8,066
Jury trials	1	-	3	2
Tax Receiver				
Town and County tax bills processed	15,214	15,227	15,232	15,390
School District tax bills processed				
Croton Harmon	3,766	3,820	3,821	3,827
Hendrick Hudson	5,087	5,174	5,176	4,273
Lakeland	5,600	5,402	5,604	5,606
Yorktown	116	117	19	119
Putnam Valley	511	512	512	512
Town Clerk's Office				
Birth certificates	697	817	815	901
Marriage licenses	173	134	127	125
Death certificates	3,791	4,177	4,145	3,795
Hunting and fishing licenses	196	249	207	237
Dog licenses	745	736	810	823
Culture and Recreation				
Recreation				
Adult programs	79	79	74	68
Adult leagues	6	5	5	5
Youth programs	63	54	72	72
Youth leagues	35	25	33	31
Pre-school classes	17	13	14	15
Youth center special events	50	46	41	37
Special events recreation	14	9	9	9
Day camps	4	4	4	4
Swimming programs	15	13	13	15

2010	2011	2012	2013	2014	2015
9,936	9,936	9,244	9,232	8,759	8,798
1,309	1,358	1,385	1,498	1,466	1,484
593	572	540	547	558	545
162	73	148	143	138	150
8,790	8,974	8,630	8,017	8,287	8,373
1,413	1,108	1,176	1,186	967	968
213	211	167	178	158	162
7,020	4,529	5,352	6,333	5,815	5,088
3	2	2	3	3	-
15,385	15,386	15,386	15,381	15,386	15,386
3,826	3,824	3,816	3,811	3,813	3,817
5,325	5,325	5,328	5,327	5,324	4,064
5,608	5,605	5,611	5,611	5,611	5,610
119	119	119	119	119	119
512	512	512	513	512	511
932	909	799	870	751	799
141	143	131	144	139	155
3,675	4,041	3,772	4,372	3,992	4,100
242	177	163	198	543	325
856	867	871	757	761	678
65	60	75	75	83	75
5	5	5	5	4	4
60	67	60	60	59	60
25	18	28	27	26	28
14	14	15	20	28	28
31	30	15	15	15	15
9	10	11	11	10	8
4	4	4	4	4	4
16	16	16	14	15	15

(Continued)

Town of Cortlandt, New York**Operating Indicators by Function/Program (Continued)**
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Home and Community Services				
Senior Programs				
Congregate meals served	3,977	2,686	2,465	2,884
Home delivered meals	6,969	7,159	8,051	7,432
Medical trips	420	458	453	417
Shopping trips	467	787	857	937
Refuse				
Refuse collected in tons	18,619	18,026	16,986	15,590
Organic yard waste	N/A	N/A	N/A	1,801
Recyclables collected -commingled	6,700	1,001	837	1,748
Recyclables collected -newspaper in tons	9,300	2,475	3,828	3,065

Note: "N/A" indicates data not available.

Sources: Various Town departments

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
3,073	3,100	3,014	2,702	1,988	2,407
8,057	7,004	6,779	7,767	6,593	8,659
239	213	191	272	189	158
810	854	870	721	492	461
14,880	15,323	14,802	14,630	14,528	14,432
748	2,530	2,379	1,107	998	953
804	814	662	968	1,154	1,168
1,312	886	1,381	1,734	2,047	2,018

Town of Cortlandt, New York

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

	2006	2007	2008	2009
General Government Support				
Number of general government buildings	4	4	4	4
Public Safety				
Number of police stations - State police	1	1	1	1
Number of police stations - County police	1	1	1	1
Transportation				
Miles of streets	157	157	157	157
Number of street lights	890	890	890	890
Culture and Recreation				
Number of community centers	1	1	1	1
Number of youth centers	1	1	1	1
Number of parks	13	13	13	13
Acres of parks	710	710	710	710
Playgrounds	7	7	7	7
Baseball/softball diamonds	7	7	7	7
Outdoor tennis courts	15	15	15	15
Soccer fields	1	1	1	1
Basketball courts outdoor	5	5	5	5
Basketball courts indoor	1	1	1	1
Roller hockey rink	1	1	1	1
Aggressive skate park	1	1	1	1
Community room - Town center	1	1	1	1
Home and Community Services				
Miles of water mains	28	28	28	28
Fire hydrants	1,394	1,394	1,394	1,394
Miles of sanitary sewers	17	17	17	17

Sources: Various Town departments

2010	2011	2012	2013	2014	2015
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
157	157	157	157	164	164
890	890	890	890	890	890
1	1	1	1	1	1
1	1	1	1	1	1
13	13	13	13	15	15
710	763	763	763	802	802
7	7	7	7	7	7
7	7	7	7	7	7
15	15	15	15	15	15
1	1	1	1	1	1
5	5	6	6	6	7
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
28	28	28	28	142	142
1,394	1,394	1,394	1,394	1,394	1,394
17	17	17	17	17	17

