

TOWN OF COPENNY, NEW YORK

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

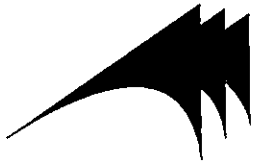
DECEMBER 31, 2017

TOWN OF COPAKE, NEW YORK

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

Robert J. Allen, CPA
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INDEPENDENT ACCOUNTANT'S DISCLAIMER

To Town Board of the
Town of Copake
Copake, New York

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

Sickler, Torchia Allen & Churchill, CPA's, P.C.

Hudson, New York
February 17, 2018

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

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

For The

TOWN of Copake

County of Columbia

For the Fiscal Year Ended 12/31/2017

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

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

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

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

TOWN OF Copake

***** FINANCIAL SECTION *****

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

(A) GENERAL
(CD) SPECIAL GRANT
(CM) MISCELLANEOUS SPECIAL REV
(DA) HIGHWAY-TOWN-WIDE
(K) GENERAL FIXED ASSETS
(SL) LIGHTING
(TA) AGENCY
(W) GENERAL LONG-TERM DEBT

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

***** SUPPLEMENTAL SECTION *****

The Supplemental Section includes the following sections:

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

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

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	Edp Code	2017
Assets			
Cash	1,519,047	A200	1,759,517
Petty Cash	420	A210	420
TOTAL Cash	1,519,467		1,759,937
Accounts Receivable	17,072	A380	22,070
TOTAL Other Receivables (net)	17,072		22,070
Due From Other Funds	5,125	A391	15,136
TOTAL Due From Other Funds	5,125		15,136
Due From Other Governments	160,771	A440	175,518
TOTAL Due From Other Governments	160,771		175,518
Prepaid Expenses		A480	4,717
TOTAL Prepaid Expenses	0		4,717
Cash Special Reserves	600,000	A230	900,000
TOTAL Restricted Assets	600,000		900,000
TOTAL Assets and Deferred Outflows of Resources	2,302,435		2,877,378

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	14,246	A600	12,915
TOTAL Accounts Payable	14,246		12,915
Accrued Liabilities	4,340	A601	2,168
TOTAL Accrued Liabilities	4,340		2,168
Overpayments & Clearing Account	453	A690	453
TOTAL Other Liabilities	453		453
TOTAL Liabilities	19,039		15,536
Fund Balance			
Capital Reserve	500,000	A878	800,000
Reserve For Repairs	100,000	A882	100,000
TOTAL Restricted Fund Balance	600,000		900,000
Unassigned Fund Balance	1,683,396	A917	1,961,842
TOTAL Unassigned Fund Balance	1,683,396		1,961,842
TOTAL Fund Balance	2,283,396		2,861,842
TOTAL Liabilities, Deferred Inflows And Fund Balance	2,302,435		2,877,378

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Real Property Taxes	283,581	A1001	283,581
TOTAL Real Property Taxes	283,581		283,581
Interest & Penalties On Real Prop Taxes	10,640	A1090	11,484
TOTAL Real Property Tax Items	10,640		11,484
Non Prop Tax Dist By County	479,934	A1120	526,123
Franchises	24,807	A1170	23,706
TOTAL Non Property Tax Items	504,741		549,829
Clerk Fees	1,888	A1255	2,843
Public Pound Charges, Dog Control Fees	190	A1550	330
Zoning Fees	2,148	A2110	3,637
Planning Board Fees	1,650	A2115	2,850
TOTAL Departmental Income	5,876		9,660
Misc Revenue, Other Govts	26,588	A2389	28,496
Share of Joint Activity, Other Govts	6,329	A2390	9,020
TOTAL Intergovernmental Charges	32,917		37,516
Interest And Earnings	198	A2401	3,364
Rental of Real Property	2,275	A2410	3,735
TOTAL Use of Money And Property	2,473		7,099
Dog Licenses	836	A2544	988
Building And Alteration Permits	42,635	A2555	59,418
Permits, Other	125	A2590	125
TOTAL Licenses And Permits	43,596		60,531
Fines And Forfeited Bail	40,716	A2610	40,196
TOTAL Fines And Forfeitures	40,716		40,196
Sales, Other		A2655	15
Sales of Equipment		A2665	13,470
Insurance Recoveries	2,973	A2680	2,882
TOTAL Sale of Property And Compensation For Loss	2,973		16,367
Refunds of Prior Year's Expenditures	23,920	A2701	3,915
Gifts And Donations	16,369	A2705	30,921
Employees Contributions	6,425	A2709	1,456
Unclassified (specify)	2,390	A2770	30,534
TOTAL Miscellaneous Local Sources	49,104		66,826
St Aid, Revenue Sharing	11,239	A3001	11,239
St Aid, Mortgage Tax	100,370	A3005	107,221
St Aid - Other (specify)	19,520	A3089	5,100
St Aid, Youth Programs	1,429	A3820	1,429
TOTAL State Aid	132,558		124,989
TOTAL Revenues	1,109,175		1,208,078
TOTAL Detail Revenues And Other Sources	1,109,175		1,208,078

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Legislative Board, Pers Serv	14,420	A10101	12,788
Legislative Board, Contr Expend	1,195	A10104	1,195
TOTAL Legislative Board	15,615		13,983
Municipal Court, Pers Serv	38,679	A11101	34,116
Municipal Court, Equip & Cap Outlay	9,797	A11102	4,800
Municipal Court, Contr Expend	4,290	A11104	5,720
TOTAL Municipal Court	52,766		44,636
Supervisor, pers Serv	12,875	A12201	12,875
Supervisor, contr Expend	23,413	A12204	23,058
TOTAL Supervisor	36,288		35,933
Auditor, Contr Expend		A13204	
TOTAL Auditor	0		0
Assessment, Pers Serv	29,875	A13551	33,876
Assessment, Contr Expend	13,199	A13554	15,465
TOTAL Assessment	43,074		49,341
Clerk, pers Serv	36,836	A14101	36,640
Clerk, contr Expend	2,135	A14104	2,085
TOTAL Clerk	38,971		38,725
Law, Contr Expend	39,750	A14204	39,481
TOTAL Law	39,750		39,481
Records Mgmt, Contr Expend	1,914	A14604	940
TOTAL Records Mgmt	1,914		940
Buildings, Pers Serv	15,300	A16201	15,300
Buildings, Contr Expend	29,033	A16204	29,564
TOTAL Buildings	44,333		44,864
Central Print & Mail, contr Expend	12,181	A16704	6,307
TOTAL Central Print & Mail	12,181		6,307
Central Data Process & Cap Outlay	1,124	A16802	828
Central Data Process, Contr Expend	4,431	A16804	4,138
TOTAL Central Data Process	5,555		4,966
Unallocated Insurance, Contr Expend	33,106	A19104	33,683
TOTAL Unallocated Insurance	33,106		33,683
Municipal Assn Dues, Contr Expend	1,000	A19204	1,000
TOTAL Municipal Assn Dues	1,000		1,000
TOTAL General Government Support	324,553		313,859
Control of Animals, Pers Serv	3,558	A35101	3,600
Control of Animals, Contr Expend	790	A35104	2,580
TOTAL Control of Animals	4,348		6,180
Safety Inspection, Pers Serv	21,004	A36201	20,541
Safety Inspection, Contr Expend	590	A36204	578
TOTAL Safety Inspection	21,594		21,119
TOTAL Public Safety	25,942		27,299
Registrar of Vital Stat Contr Expend	360	A40204	1,130
TOTAL Registrar of Vital Stat Contr Expend	360		1,130
TOTAL Health	360		1,130

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(A) GENERAL

Results of Operation

Code Description	2016	Edp Code	2017
Expenditures			
Street Admin, Pers Serv	58,217	A50101	65,381
Street Admin, Contr Expend	200	A50104	200
TOTAL Street Admin	58,417		65,581
Garage, Contr Expend	19,907	A51324	23,665
TOTAL Garage	19,907		23,665
Street Lighting, Contr Expend		A51824	
TOTAL Street Lighting	0		0
Sidewalks, Contr Expend	800	A54104	774
TOTAL Sidewalks	800		774
TOTAL Transportation	79,124		90,020
Publicity, Contr Expend	831	A64104	1,216
TOTAL Publicity	831		1,216
Veterans Service, Contr Expend	1,000	A65104	500
TOTAL Veterans Service	1,000		500
Programs For Aging, Contr Expend	557	A67724	425
TOTAL Programs For Aging	557		425
TOTAL Economic Assistance And Opportunity	2,388		2,141
Parks, Contr Expend	500	A71104	
TOTAL Parks	500		0
Playgr & Rec Centers, Pers Serv	9,636	A71401	9,558
Playgr & Rec Centers, Equip & Cap Outlay	300	A71402	50,991
Playgr & Rec Centers, Contr Expend	12,541	A71404	16,201
TOTAL Playgr & Rec Centers	22,477		76,750
Youth Prog, Pers Serv	17,816	A73101	18,963
Youth Prog, Contr Expend	5,082	A73104	5,653
TOTAL Youth Prog	22,898		24,616
Historian, Contr Expend	425	A75104	425
TOTAL Historian	425		425
Historical Property, Contr Expend	1,456	A75204	1,218
TOTAL Historical Property	1,456		1,218
Celebrations, Contr Expend	1,824	A75504	4,285
TOTAL Celebrations	1,824		4,285
TOTAL Culture And Recreation	49,580		107,294
Zoning, Pers Serv	3,103	A80101	3,062
Zoning, Contr Expend	2,305	A80104	2,625
TOTAL Zoning	5,408		5,687
Planning, Pers Serv	4,864	A80201	5,369
Planning, Contr Expend	4,252	A80204	3,447
TOTAL Planning	9,116		8,816
Cemetery, Pers Serv	149	A88101	109
Cemetery, Contr Expend	500	A88104	1,816
TOTAL Cemetery	649		1,925
TOTAL Home And Community Services	15,173		16,428
State Retirement System	23,836	A90108	18,408
Social Security, Employer Cont	20,825	A90308	22,310

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Disability Insurance, Empl Bnfts	549	A90558	482
Hospital & Medical (dental) Ins, Empl Bnft	58,711	A90608	30,261
TOTAL Employee Benefits	103,921		71,461
TOTAL Expenditures	601,041		628,632
TOTAL Detail Expenditures And Other Uses	601,041		628,632

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	1,775,263	A8021	2,283,396
Prior Period Adj -Decrease In Fund Balance	1	A8015	
Restated Fund Balance - Beg of Year	1,775,262	A8022	2,283,396
ADD - REVENUES AND OTHER SOURCES	1,109,175		1,208,078
DEDUCT - EXPENDITURES AND OTHER USES	601,041		629,632
Fund Balance - End of Year	2,283,396	A8029	2,861,842

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
Estimated Revenues			
Est Rev - Real Property Taxes	283,581	A1049N	283,581
Est Rev - Real Property Tax Items	10,000	A1099N	10,000
Est Rev - Non Property Tax Items	310,000	A1199N	310,000
Est Rev - Departmental Income	1,250	A1299N	1,250
Est Rev - Intergovernmental Charges	35,000	A2399N	35,131
Est Rev - Use of Money And Property	1,750	A2499N	1,750
Est Rev - Licenses And Permits	28,423	A2599N	29,423
Est Rev - Fines And Forfeitures	35,000	A2649N	35,000
Est Rev - Miscellaneous Local Sources	2,997	A2799N	2,997
Est Rev - State Aid	101,700	A3099N	101,700
TOTAL Estimated Revenues	809,701		810,832
TOTAL Estimated Revenues And Other Sources	809,701		810,832

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
Appropriations			
App - General Government Support	431,839	A1999N	437,679
App - Public Safety	31,600	A3999N	31,100
App - Health	700	A4999N	1,100
App - Transportation	109,549	A5999N	106,440
App - Economic Assistance And Opportunity	9,750	A6999N	8,750
App - Culture And Recreation	66,025	A7999N	65,525
App - Home And Community Services	44,275	A8999N	44,275
App - Employee Benefits	115,963	A9199N	115,963
TOTAL Appropriations	809,701		810,832
TOTAL Appropriations And Other Uses	809,701		810,832

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Accounts Receivable		CD380	
TOTAL Other Receivables (net)	0		0
TOTAL Assets and Deferred Outflows of Resources	0		0

TOWN OF Copake
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For the Fiscal Year Ending 2017

Balance Sheet

Code Description	2016	EdpCode	2017
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TOWN OF Copake
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(CD) SPECIAL GRANT

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Other Aid (specify)		CD3089	
TOTAL State Aid	0		0
TOTAL Revenues	0		0
TOTAL Detail Revenues And Other Sources	0		0

TOWN OF Copake
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For the Fiscal Year Ending 2017

Results of Operation

Code Description	2016	EdpCode	2017
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TOWN OF Copake
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(CD) SPECIAL GRANT

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year		CD8021	
Restated Fund Balance - Beg of Year		CD8022	
ADD - REVENUES AND OTHER SOURCES			
Fund Balance - End of Year		CD8029	

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	15,679	CM200	17,595
TOTAL Cash	15,679		17,595
Accounts Receivable	400	CM380	
TOTAL Other Receivables (net)	400		0
TOTAL Assets and Deferred Outflows of Resources	16,079		17,595

TOWN OF Copake
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(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable		CM600	
TOTAL Accounts Payable	0		0
TOTAL Liabilities	0		0
Fund Balance			
Assigned Unappropriated Fund Balance	16,079	CM915	17,595
TOTAL Assigned Fund Balance	16,079		17,595
TOTAL Fund Balance	16,079		17,595
TOTAL Liabilities, Deferred Inflows And Fund Balance	16,079		17,595

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Unclassified (specify)	11,648	CM2770	6,302
TOTAL Miscellaneous Local Sources	11,648		6,302
TOTAL Revenues	11,648		6,302
TOTAL Detail Revenues And Other Sources	11,648		6,302

TOWN OF Copake
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For the Fiscal Year Ending 2017

(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Other Culture And Recreation-Contr Expend	9,958	CM79894	4,785
TOTAL Other Culture And Recreation-Contr Expend	9,958		4,785
TOTAL Culture And Recreation	9,958		4,785
TOTAL Expenditures	9,958		4,785
TOTAL Detail Expenditures And Other Uses	9,958		4,785

TOWN OF Copake
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(CM) MISCELLANEOUS SPECIAL REV

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	14,389	CM8021	16,079
Restated Fund Balance - Beg of Year	14,389	CM8022	
ADD - REVENUES AND OTHER SOURCES	11,648		6,302
DEDUCT - EXPENDITURES AND OTHER USES	9,958		4,785
Fund Balance - End of Year	16,079	CM8029	17,596

TOWN OF Copake
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(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	379,503	DA200	422,894
TOTAL Cash	379,503		422,894
Accounts Receivable	2,700	DA380	3,205
TOTAL Other Receivables (net)	2,700		3,205
Due From Other Governments	705	DA440	2,504
TOTAL Due From Other Governments	705		2,504
Prepaid Expenses		DA480	28,886
TOTAL Prepaid Expenses	0		28,886
TOTAL Assets and Deferred Outflows of Resources	382,908		457,489

TOWN OF Copake
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(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	22,041	DA600	19,407
TOTAL Accounts Payable	22,041		19,407
Accrued Liabilities	13,017	DA601	15,633
TOTAL Accrued Liabilities	13,017		15,633
Due To Other Funds		DA630	
TOTAL Due To Other Funds	0		0
TOTAL Liabilities	35,058		35,040
Fund Balance			
Assigned Appropriated Fund Balance	25,000	DA914	25,000
Assigned Unappropriated Fund Balance	322,850	DA915	397,449
TOTAL Assigned Fund Balance	347,850		422,449
TOTAL Fund Balance	347,850		422,449
TOTAL Liabilities, Deferred Inflows And Fund Balance	382,908		457,489

TOWN OF Copake
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(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Real Property Taxes	846,275	DA1001	846,275
TOTAL Real Property Taxes	846,275		846,275
Sales Tax (from County)	157,000	DA1120	157,000
TOTAL Non Property Tax Items	157,000		157,000
Transportation Services, Other Govts	15,606	DA2300	18,784
TOTAL Intergovernmental Charges	15,606		18,784
Interest And Earnings	300	DA2401	300
TOTAL Use of Money And Property	300		300
Sales, Other	518	DA2655	1,718
Sales of Equipment	7,625	DA2665	
TOTAL Sale of Property And Compensation For Loss	8,143		1,718
Refunds of Prior Year's Expenditures		DA2701	1,588
Employees Contributions	3,306	DA2709	3,748
TOTAL Miscellaneous Local Sources	3,306		5,336
St Aid, Consolidated Highway Aid	161,060	DA3501	185,895
TOTAL State Aid	161,060		185,895
TOTAL Revenues	1,191,690		1,215,308
TOTAL Detail Revenues And Other Sources	1,191,690		1,215,308

TOWN OF Copake
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For the Fiscal Year Ending 2017

(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Maint of Streets, Pers Serv	153,515	DA51101	156,462
Maint of Streets, Contr Expend	218,979	DA51104	231,298
TOTAL Maint of Streets	372,494		387,760
Perm Improve Highway, Equip & Cap Outlay	161,060	DA51122	185,895
TOTAL Perm Improve Highway	161,060		185,895
Machinery, Equip & Cap Outlay	58,500	DA51302	6,425
Machinery, Contr Expend	78,032	DA51304	83,928
TOTAL Machinery	136,532		90,353
Snow Removal, Pers Serv	172,462	DA51421	174,725
Snow Removal, Contr Expend	85,145	DA51424	121,372
TOTAL Snow Removal	257,607		296,097
TOTAL Transportation	927,693		960,105
State Retirement, Empl Bnfts	44,268	DA90108	42,953
Social Security , Empl Bnfts	24,937	DA90308	24,851
Disability Insurance, Empl Bnfts	187	DA90558	179
Hospital & Medical (dental) Ins, Empl Bnft	106,888	DA90608	105,670
Other Employee Benefits (spec)	6,241	DA90898	6,951
TOTAL Employee Benefits	182,521		180,604
TOTAL Expenditures	1,110,214		1,140,709
TOTAL Detail Expenditures And Other Uses	1,110,214		1,140,709

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(DA) HIGHWAY-TOWN-WIDE

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	266,374	DA8021	347,850
Prior Period Adj -Decrease In Fund Balance		DA8015	
Restated Fund Balance - Beg of Year	266,374	DA8022	347,850
ADD - REVENUES AND OTHER SOURCES	1,191,690		1,215,308
DEDUCT - EXPENDITURES AND OTHER USES	1,110,214		1,140,709
Fund Balance - End of Year	347,850	DA8029	422,449

TOWN OF Copake
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(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2017	EdpCode	2018
Estimated Revenues			
Est Rev - Real Property Taxes	846,275	DA1049N	846,275
Est Rev - Non Property Tax Items	157,000	DA1199N	157,000
Est Rev - Intergovernmental Charges	15,550	DA2399N	15,550
Est Rev - Use of Money And Property	300	DA2499N	300
Est Rev - Sale of Prop And Comp For Loss	4,500	DA2699N	4,643
Est Rev - Miscellaneous Local Sources	3,806	DA2799N	4,002
Est Rev - State Aid	131,185	DA3099N	131,185
TOTAL Estimated Revenues	1,158,616		1,158,955
Appropriated Fund Balance	25,000	DA599N	25,000
TOTAL Estimated Other Sources	25,000		25,000
TOTAL Estimated Revenues And Other Sources	1,183,616		1,183,955

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(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2017	EdpCode	2018
Appropriations			
App - Transportation	964,073	DA5999N	964,420
App - Employee Benefits	219,543	DA9199N	219,535
TOTAL Appropriations	1,183,616		1,183,955
TOTAL Appropriations And Other Uses	1,183,616		1,183,955

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Land	189,415	K101	189,415
Buildings	1,289,881	K102	1,289,881
Machinery And Equipment	2,449,325	K104	2,455,750
TOTAL Fixed Assets (net)	3,928,621		3,935,046
Deferred Outflows of Resources - Pensions	286,843	K496	
TOTAL Deferred Outflows of Resources	286,843		0
TOTAL Assets and Deferred Outflows of Resources	4,215,464		3,935,046

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
Liabilities, Deferred Inflows And Fund Balance			
Total Non-Current Govt Assets	4,215,464	K159	3,935,046
TOTAL Investments in Non-Current Government Assets	4,215,464		3,935,046
TOTAL Fund Balance	4,215,464		3,935,046
TOTAL	4,215,464		3,935,046

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(SL) LIGHTING

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	19,947	SL200	19,155
TOTAL Cash	19,947		19,155
TOTAL Assets and Deferred Outflows of Resources	19,947		19,155

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(SL) LIGHTING

Balance Sheet

Code Description	2016	Edp Code	2017
Accounts Payable		SL600	1,325
TOTAL Accounts Payable	0		1,325
Due To Other Funds		SL630	
TOTAL Due To Other Funds	0		0
TOTAL Liabilities	0		1,325
Fund Balance			
Assigned Appropriated Fund Balance	2,000	SL914	2,000
Assigned Unappropriated Fund Balance	17,947	SL915	15,830
TOTAL Assigned Fund Balance	19,947		17,830
TOTAL Fund Balance	19,947		17,830
TOTAL Liabilities, Deferred Inflows And Fund Balance	19,947		19,155

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(SL) LIGHTING

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Real Property Taxes	12,540	SL1001	12,540
TOTAL Real Property Taxes	12,540		12,540
Interest And Earnings	1	SL2401	
TOTAL Use of Money And Property	1		0
TOTAL Revenues	12,541		12,540
TOTAL Detail Revenues And Other Sources	12,541		12,540

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(SL) LIGHTING

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Street Lighting, Contr Expend	13,976	SL51824	14,656
TOTAL Street Lighting	13,976		14,656
TOTAL Transportation	13,976		14,656
TOTAL Expenditures	13,976		14,656
TOTAL Detail Expenditures And Other Uses	13,976		14,656

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(SL) LIGHTING

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	21,380	SL8021	19,946
Prior Period Adj -Increase In Fund Balance	2	SL8012	
Restated Fund Balance - Beg of Year	21,382	SL8022	19,946
ADD - REVENUES AND OTHER SOURCES	12,541		12,540
DEDUCT - EXPENDITURES AND OTHER USES	13,976		14,656
Fund Balance - End of Year	19,946	SL8029	17,830

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	17,529	TA200	26,840
TOTAL Cash	17,529		26,840
TOTAL Assets and Deferred Outflows of Resources	17,529		26,840

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
Due To Other Funds	5,125	TA630	15,136
TOTAL Due To Other Funds	5,125		15,136
Guaranty & Bid Deposits	9,797	TA30	6,894
Other Funds (specify)	2,607	TA85	4,810
TOTAL Agency Liabilities	12,404		11,704
TOTAL Liabilities	17,529		26,840
TOTAL Liabilities, Deferred Inflows And Fund Balance	17,529		26,840

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Total Non-Current Govt Liabilities	341,528	W129	213,039
TOTAL Provision To Be Made In Future Budgets	341,528		213,039
TOTAL Assets and Deferred Outflows of Resources	341,528		213,039

TOWN OF Copake
Annual Update Document
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	Edp Code	2017
Net Pension Liability - Proportionate Share	225,739	W638	123,027
Compensated Absences	87,363	W687	90,012
TOTAL Other Liabilities	313,102		213,039
Deferred Inflows of Resources - Pensions	28,426	W697	
TOTAL Deferred Inflows of Resources	28,426		0
TOTAL Liabilities	341,528		213,039
TOTAL Liabilities	341,528		213,039

TOWN OF Copake
Statement of Indebtedness
For the Fiscal Year Ending 2017

2/17/2018

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
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TOWN OF Copake
Schedule of Time Deposits and Investments
For the Fiscal Year Ending 2017

	<u>EDP Code</u>	<u>Amount</u>
CASH:		
On Hand	9Z2001	<u>\$420.00</u>
Demand Deposits	9Z2011	<u>\$3,238,438.00</u>
Time Deposits	9Z2021	
Total		<u>\$3,238,858.00</u>
COLLATERAL:		
- FDIC Insurance	9Z2014	<u>\$750,000.00</u>
Collateralized with securities held in possession of municipality or its agent	9Z2014A	<u>\$2,488,438.00</u>
Total		<u>\$3,238,438.00</u>
INVESTMENTS:		
- Securities (450)		
Book Value (cost)	9Z4501	<u> </u>
Market Value at Balance Sheet Date	9Z4502	<u> </u>
Collateralized with securities held in possession of municipality or its agent	9Z4504A	<u> </u>
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	<u> </u>
Market Value at Balance Sheet Date	9Z4512	<u> </u>
Collateralized with securities held in possession of municipality or its agent	9Z4514A	<u> </u>

**TOWN OF Copake
Bank Reconciliation
For the Fiscal Year Ending 2017**

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
*****-2818	\$800,000	\$0	\$0	\$800,000
*****-0877	\$60,871	\$0	\$49,096	\$11,775
*****-0885	\$16,647	\$192	\$0	\$16,839
*****-1758	\$563,749	\$73	\$0	\$563,822
*****-5399	\$43,604	\$0	\$43,604	\$0
*****-5406	\$10,000	\$0	\$0	\$10,000
*****-5414	\$17,596	\$0	\$0	\$17,596
*****-5422	\$2,107	\$0	\$0	\$2,107
*****-5430	\$566,449	\$0	\$0	\$566,449
*****-NBOK	\$1,053,270	\$0	\$0	\$1,053,270
*****-TIME	\$4,145	\$0	\$0	\$4,145
*****-2817	\$100,000	\$0	\$0	\$100,000

Total Adjusted Bank Balance \$3,146,003

Petty Cash \$420.00

Adjustments \$.00

Total Cash 9ZCASH * \$3,146,423

Total Cash Balance All Funds 9ZCASHB * \$3,146,421

* Must be equal

**TOWN OF Copake
Local Government Questionnaire
For the Fiscal Year Ending 2017**

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

**TOWN OF Copake
Employee and Retiree Benefits
For the Fiscal Year Ending 2017**

Total Full Time Employees:		8			
Total Part Time Employees:		32			
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System	\$61,363.00	8	7	3
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	\$47,160.00	8	32	
90408	Worker's Compensation Insurance				
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance	\$661.00	8	24	
90608	Hospital and Medical (Dental) Insurance	\$135,931.00	8	5	
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits	\$6,951.00	8		
Total		\$252,066.00			
Computed Total From Financial Section (comparative purposes only)		\$252,065.00			

TOWN OF Copake
Energy Costs and Consumption
For the Fiscal Year Ending 2017

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$294	133	gallons	
Diesel Fuel	\$42,920	25,539	gallons	
Fuel Oil	\$4,014	2,375	gallons	
Natural Gas			cubic feet	
Electricity	\$27,452	100,852	kilowatt-hours	
Coal			tons	
Propane	\$4,720	3,410	gallons	

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

TOWN OF Copake
Financial Comments
For the Fiscal Year Ending 2017

(A) GENERAL

Adjustment Reason

Account Code A8015 .

(DA) HIGHWAY-TOWN-WIDE

Adjustment Reason

Account Code DA8015 See Footnote

TOWN OF COPAKE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Financial Reporting Entity:

The Town, which was established in 1823, is governed by its charter, municipal law and other general laws of the State of New York, and various local laws and ordinances. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of five members (with each member having an equal vote). The Town Supervisor serves as Chief Executive and Fiscal Officer of the Town.

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

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

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

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

II. Excluded From Reporting Entity:

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

The Town exercises no oversight over the operations of the Copake Fire District, the Hillsdale-Copake Fire District, the Craryville Fire District, the Roeliff Jansen Community Library, or the Hillsdale-Copake Light District. The Town levies and collects real property taxes and turns them over to these entities. For the year ended December 31, 2017, these amounts were as follows:

	<u>2017</u>
Copake Fire District	\$ 396,848
Hillsdale-Copake Fire District	55,995
Craryville Fire District	107,198
Roeliff Jansen Community Library	55,000
Hillsdale-Copake Light District	<u>532</u>
	<u>\$ 615,573</u>

B. Fund Accounting:

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

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

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

I. Fund Categories:

a. Governmental Funds:

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

1. General Fund:

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

2. Special Revenue Funds:

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following Special Revenue Funds are utilized:

- (a) Highway Funds are used to account for revenues and expenditures for maintenance of Town highways.
- (b) Special District Funds are used to account for the resources of special districts. The Town has a lighting district that is used to account for tax revenues and expenditures for electric and maintenance of lights within the lighting districts.
- (c) Special Grant Funds are used to account for grant funds received from governmental sources.
- (d) Miscellaneous Special Revenue Fund accounts for trust arrangements under which principal and income will be used to benefit the Town's regular programs.

b. Fiduciary Funds:

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

I. Trust and Agency Funds:

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

II. Private-Purpose Trust Funds:

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

TOWN OF COPENAK, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

III. Account Groups:

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

a. Non-Current Government Assets Account Group:

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

b. Non-Current Government Liability Account Group:

This group of accounts is established to account for all long-term debts.

C. Basis of Accounting/Measurement Focus:

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

I. Modified Accrual Basis:

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

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

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

II. Account Groups:

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

D. Fund Balances:

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

I. Non-Spendable:

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

II. Restricted:

Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. The Town has restricted fund balance of \$900,000 in the General Fund as of December 31, 2017.

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

III. Committed:

Consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The Town has no committed fund balance as of December 31, 2017.

IV. Assigned:

Consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body of official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

The Board, by resolution, to adopt the 2018 budget, has authorized the Town Supervisor to assign fund balance. Appropriations reported in the General, Highway and Lighting fund amounted to \$0, \$25,000 and \$2,000, respectively, as of December 31, 2017.

V. Unassigned:

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

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

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

E. Encumbrances:

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

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

F. Property, Plant, and Equipment – General:

Fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost) in the Schedule of Non-Current Government Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain infrastructure type improvements other than buildings, including roads, bridges, curbs and gutters, streets, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the Town. Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets. No depreciation has been provided on non-current government assets, nor has interest on non-current government assets construction-in-progress been capitalized.

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

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

G. Investments:

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

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

H. Compensated Absences:

Employees accrue vacation based primarily on the number of years employed up to a maximum rate of 160 hours with pay. Employees who are separated from services and who have accrued vacation leave to their credit, shall be paid the salary equivalent to the accrued vacation leave.

Employees accrue sick leave at the rate of 8 days per year and may accumulate up to a maximum of 200 days.

TOWN OF COPENAK, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

Vested vacation and sick leave is recorded in long-term debt as a liability and expensed when used. The liability for compensated absences increased by \$2,649 during the year to \$90,012 and is reported in the Schedule of Non-Current Government Liabilities.

I. Post-Employment Benefits:

In addition to providing pension benefits, the Town provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town. Health care benefits and survivors' benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. During the year ended December 31, 2017, \$20,501 was paid on behalf of the one retiree and recorded as an expenditure in the Highway fund.

J. Insurance:

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

K. Departures from General Accepted Accounting Principles (GAAP):

The Town has prepared these statements in the accompanying prescribed form to comply with the requirements of the State of New York, Office of State Comptroller, Division of Local Government and School Accountability, Albany, New York, which differs from accounting principles generally accepted in the United States. Notable departures from GAAP include:

- I. No provision for capitalizing infrastructure has been recorded.
- II. No provision for depreciation of Non-Current Government Assets has been recorded.
- III. The absence of an entity-wide Statement of Net Assets and Statement of Activities.
- IV. The absence of a Management, Discussion and Analysis.
- V. A statement comparing budget vs. actual is required under generally accepted accounting principles. While the Annual Update Document includes both actual and budget schedules, there is no direct comparison of the two.

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

- VI. Actuarial methods and assumptions used to report valuations of the ARC, the annual OPEB cost, and the funding status and funding progress of the OPEB Plan have not been established.
- VII. A Schedule of the Local Government's Proportionate Share of the Net Pension Liability for the New York State Employees' Retirement System is required under GAAP.
- VIII. A Schedule of the Local Government's Contribution for the New York State Employees' Retirement System is required under GAAP.
- IX. The absence of references to the "accompanying notes and accountant's disclaimer report" on each page of the financial statements and to the "accountant's disclaimer report" on each page of any supplementary information.

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

L. New Accounting Standards:

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

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

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

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

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

M. Future Changes in Accounting Standards:

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

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

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

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

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

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

N. Use of Estimates:

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY:

A. Budgetary Data:

The budget policies are as follows:

- I. No later than September 30, the Budget Officer submits a tentative budget to the Town Clerk, who then has until October 5 to submit the budget to the Town Board for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- II. After public hearings are conducted to obtain taxpayer comments, no later than November 20, the governing board adopts the budget.
- III. All modifications of the budget must be approved by the governing board.
- IV. Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

B. Property Taxes:

Real property taxes are levied annually no later than December 31 and become a lien on January 1. Taxes are collected during the period January 1 to May 31. Taxes for the Town and special district purposes are levied together with taxes for the county purposes as a single bill. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bill. The county assumes enforcement responsibility for all taxes levied in the Town.

In June of 2011, New York State passed Chapter 97 of the Laws of 2011 (Tax Cap Law). This law applies to all local governments in New York State. The Tax Cap Law restricts the amount of real property taxes that may be levied by the Town of Copake in a particular year, beginning with the 2012 fiscal year. The growth in annual levy is limited to the lesser of two percent or annual change in the national unadjusted Consumer Price Index for All Urban Consumers – All Items (CPI-U), subject to certain limited exceptions and adjustments.

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

A. Assets:

I. Cash and Investment Policies:

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

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

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

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

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

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

As of December 31, 2017, \$0- of the Town's bank balance of \$3,238,438 was exposed to custodial credit risk as follows:

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

	Balance 12/31/17	FDIC Insurance	Collateral	Total Coverage 12/31/17
KeyBank	\$ 641,267	\$ 250,000	\$ 391,267	\$ 641,267
Kinderhook Bank	1,957,415	250,000	1,707,415	1,957,415
Bank of Greene County	639,756	250,000	389,756	639,756
	<u>\$ 3,238,438</u>	<u>\$ 750,000</u>	<u>\$ 2,488,438</u>	<u>\$ 3,238,438</u>

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute or contributor guidance to be reserved for various purposes. Restricted cash as of year-end includes \$900,000 within the governmental funds and \$-0- in the fiduciary funds.

III. Changes in Non-Current Government Assets:

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

	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Land	\$ 189,415	\$ -	\$ -	\$ 189,415
Buildings	1,289,881	-	-	1,289,881
Machinery and Equipment	2,449,325	6,425	-	2,455,750
	<u>\$ 3,928,621</u>	<u>\$ 6,425</u>	<u>\$ -</u>	<u>\$ 3,935,046</u>

B. Liabilities:

I. Pension Plans:

a. General Information:

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

b. Plan Description

The Town participates in the New York State and Local Employees' Retirement System (ERS) which is collectively referred to as New York State and Local Retirement System (the System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

c. Benefits Provided:

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

i. Tiers 1 and 2:

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

ii. Tiers 3, 4, and 5:

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

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

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

iii. Tier 6:

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

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

iv. Special Plans:

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

v. Ordinary Disability Benefits:

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

vi. Accidental Disability Benefits:

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

vii. Ordinary Death Benefits:

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

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

viii. Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

d. Contributions:

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

	ERS
2017	61,361
2016	68,104
2015	78,836

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

TOWN OF COPENNY, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

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

	ERS
Actuarial Valuation Date	4/1/2016
Net Pension (Asset)/Liability	\$ 123,027
Town's Portion of the Plan's Total Net Pension (Asset)/Liability	0.0013093%

For the year ended December 31, 2017, the Town recognized pension expense of \$61,361 for ERS, within the fund financial statements. At December 31, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	ERS	ERS
Differences between expected and actual experience	\$ 3,083	\$ 18,682
Changes of assumptions	42,030	-
Net difference between projected and actual earnings on pension plan investments	24,573	-
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	29,919	4,413
Town's contributions subsequent to the measurement date	61,361	-
Total	\$ 160,966	\$ 23,095

\$61,361 reported as deferred outflows of resource related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2017.

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

TOWN OF COPAKE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2017

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

	<u>ERS</u>
Year Ended:	
2018	32,009
2019	32,009
2020	26,525
2021	(14,031)
2022	-
Thereafter	-
	<u>76,512</u>

i. Actuarial Assumptions:

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

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

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

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

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

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

iii. Discount Rate:

The discount rate used to calculate the total pension liability was 7.00 % for ERS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

ERS	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension (asset) liability	<u>\$ 392,923</u>	<u>\$ 123,027</u>	<u>\$ (105,170)</u>

v. Pension Plan Fiduciary Net Position:

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

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

vi. Payables to the Pension Plan:

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

II. Indebtedness:

a. Short-Term Debt:

The Town may issue Tax Anticipation Notes (TAN), in anticipation of receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. TAN's represent a liability that will be extinguished by the use of expendable, available resources of the fund.

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

The Town issued no short-term debt in 2017.

b. Long-Term Debt:

The local government had the following non-current liabilities:

1. Outstanding indebtedness aggregated \$-0-.
2. Serial Bonds (and Capital Notes):

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

3. Other Long-Term Liabilities:

- (a) Compensated Absences – Represents the value of earned and unused portion of the liability for compensated absences.
- (b) At December 31, 2017 the unused portion for the highway fund totaled \$90,012.

4. Summary of changes in long-term liabilities:

Long-Term Debt	Balance 12/31/16	Additions	Deletions	Balance 12/31/17
Compensated Absences	\$ 87,363	\$ 2,649	\$ -	\$ 90,012
Net Pension Liability - Proportionate Share	225,739	-	102,712	123,027
	<u>\$ 313,102</u>	<u>\$ 2,649</u>	<u>\$ 102,712</u>	<u>\$ 213,039</u>

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

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

C. Interfund Receivables and Payables at December 31, 2016:

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 15,136	\$ -	\$ -	\$ -
Special Revenue:				
Special Grant	-	-	-	-
Highway	-	-	-	-
Park	-	-	-	-
Capital Projects	-	-	-	-
Highway	-	-	-	-
Total Government Activities	15,136	-	-	-
Fiduciary Trust and Agency	-	15,136	-	-
Totals	<u>\$ 15,136</u>	<u>\$ 15,136</u>	<u>\$ -</u>	<u>\$ -</u>

D. Fund Equity:

Appropriated Fund Balance:

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

Fund	Appropriated to Fund
General	\$ -
Highway	25,000
Lighting	2,000
	<u>\$ 27,000</u>

E. Restricted Reserves:

The operating fund equity includes reserve funds established pursuant to State Law for the following purposes:

Fund	Purpose	Balance at Dec. 31, 2017
General	Capital Reserve	\$ 800,000
General	Repair Reserve	100,000
		<u>\$ 900,000</u>

TOWN OF COPAKE, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2017

NOTE 4 – COMMITMENTS AND CONTINGENCIES:

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