TOWN OF CHATHAM

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

December 31, 2015

PKHB CPAs, P.C.

PATTISON, KOSKEY, HOWE & BUCCI

www.pkhbcpa.com

Richard P. Koskey, CPA
Ned Howe, CPA
A. Michael Bucci, CPA
Bradley Cummings, CPA, CVA
Suzanne E. Muldoon, CPA
Nancy K. Patzwahl, CPA
Matthew H. VanDerbeck, CPA
Gary F. Newkirk, CPA
N. Thérèse Wolfe, CPA
Mary A. Kimball, CPA

Reginald H. Pattison, CPA (1910-2002)
Jon Rath, CPA (Retired)

Jean Howe Lossi, EA
Carol LaMont Howe, EA
Dennis A. O'Brien, CPA

To the Supervisor and Members of the
Board of the Town of Chatham, New York

Management is responsible for the accompanying special purpose annual financial statements of the Town of Chatham New York as of December 31, 2015 and for the year then ended, and the related notes to the special purpose annual financial statements in accordance with the form prescribed by the State of New York, Office of the State Comptroller Division of Municipal Affairs. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying special purpose annual financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these special purpose financial statements.

Other Matters

The financial statement included in the accompanying prescribed form is presented in accordance with the requirements of the State of New York, Office of the State Comptroller Division of Municipal Affairs and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

The prescribed form requires that a statement of non-current governmental assets be presented. Management has informed us that the Town has not presented the statement of non-current governmental assets. Management has not determined the effect of this departure on the financial statements.

The supplementary information contained in the prescribed form is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express and opinion, a conclusion, nor provide any assurance on such supplementary information.

We are not independent with respect to the Town of Chatham.

Hudson, New York
June 8, 2016

Pattison, Koskey, Howe & Bucci, CPA's, P.C.

502 Union Street
Hudson, NY 12534
Tel: 518-828-1565
Fax: 518-828-2672

45 Five Mile Woods Road, Ste 1
Catskill, NY 12414
Phone: 518-943-4502
Fax: 518-943-6532

2880 Route 9, Ste 2
Valatie, NY 12184
Tel: 518-758-6776
Fax: 518-758-6779

340 Main Street
Saugerties, NY 12477
Tel: 845-246-3803
Fax: 845-246-1035

465 Washington Ave.
Kingston, NY 12401
Tel: 845-331-5030
Fax: 845-331-0242

Members of the American Institute of Certified Public Accountants and New York State Society of Certified Public Accountants

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

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

For The

TOWN of Chatham

County of Columbia

For the Fiscal Year Ended 12/31/2015

****

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICPAL 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 Chatham

*** 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 2014 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2015:

(A) GENERAL
(B) GENERAL TOWN-OUTSIDE VG
(DA) HIGHWAY-TOWN-WIDE
(DB) HIGHWAY-PART-TOWN
(H) CAPITAL PROJECTS
(K) GENERAL FIXED ASSETS
(SF) FIRE PROTECTION
(SL) LIGHTING
(TA) AGENCY
(W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2014 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.

(A) GENERAL

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	371,793	A200	268,363
Petty Cash	200	A210	200
TOTAL Cash	**371,993**		**268,563**
Accounts Receivable	39,962	A380	
TOTAL Other Receivables (net)	**39,962**		**0**
Due From Other Funds	99,582	A391	123,191
TOTAL Due From Other Funds	**99,582**		**123,191**
Prepaid Expenses	42,416	A480	13,565
TOTAL Prepaid Expenses	**42,416**		**13,565**
TOTAL Assets and Deferred Outflows of Resources	**553,953**		**405,319**

(A) GENERAL

Balance Sheet

Code Description	2014	EdpCode	2015
Accounts Payable	22,433	A600	26,918
TOTAL Accounts Payable	**22,433**		**26,918**
Accrued Liabilities	5,973	A601	1,154
TOTAL Accrued Liabilities	**5,973**		**1,154**
TOTAL Liabilities	**28,405**		**28,071**
Fund Balance			
Not in Spendable Form	42,416	A806	13,565
TOTAL Nonspendable Fund Balance	**42,416**		**13,565**
General Reserve		A870	137,468
TOTAL Restricted Fund Balance	**0**		**137,468**
Assigned Appropriated Fund Balance	227,000	A914	227,000
Assigned Unappropriated Fund Balance	193,413	A915	
TOTAL Assigned Fund Balance	**420,413**		**227,000**
Unassigned Fund Balance	62,719	A917	-786
TOTAL Unassigned Fund Balance	**62,719**		**-786**
TOTAL Fund Balance	**525,548**		**377,247**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**553,953**		**405,319**

(A) GENERAL

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	645,298	A1001	630,756
TOTAL Real Property Taxes	**645,298**		**630,756**
Interest & Penalties On Real Prop Taxes	15,010	A1090	
TOTAL Real Property Tax Items	**15,010**		**0**
Clerk Fees	2,671	A1255	14,345
Park And Recreational Charges	20,956	A2001	21,723
Recreational Concessions	1,697	A2012	
TOTAL Departmental Income	**25,324**		**36,068**
Interest And Earnings	2,401	A2401	2,020
TOTAL Use of Money And Property	**2,401**		**2,020**
Dog Licenses	4,271	A2544	1,464
TOTAL Licenses And Permits	**4,271**		**1,464**
Fines And Forfeited Bail	213,179	A2610	165,482
TOTAL Fines And Forfeitures	**213,179**		**165,482**
Other Compensation For Loss	29,698	A2690	29,493
TOTAL Sale of Property And Compensation For Loss	**29,698**		**29,493**
Refunds of Prior Year's Expenditures		A2701	9,463
Unclassified (specify)	9,605	A2770	
TOTAL Miscellaneous Local Sources	**9,605**		**9,463**
St Aid, Revenue Sharing	16,181	A3001	16,181
St Aid, Mortgage Tax	89,520	A3005	114,390
St Aid, Youth Programs	1,349	A3820	
TOTAL State Aid	**107,050**		**130,571**
TOTAL Revenues	**1,051,836**		**1,005,316**
TOTAL Detail Revenues And Other Sources	**1,051,836**		**1,005,316**

(A) GENERAL

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Legislative Board, Pers Serv	18,000	A10101	18,000
Legislative Board, Contr Expend	23,529	A10104	20,317
TOTAL Legislative Board	**41,529**		**38,317**
Municipal Court, Pers Serv	82,098	A11101	92,429
Municipal Court, Equip & Cap Outlay	4,220	A11102	
Municipal Court, Contr Expend	32,150	A11104	25,372
TOTAL Municipal Court	**118,468**		**117,800**
Supervisor,pers Serv	18,825	A12201	16,521
Supervisor,contr Expend	1,613	A12204	920
TOTAL Supervisor	**20,438**		**17,441**
Comptroller,pers Serv	28,579	A13151	15,434
Comptroller, Equip & Cap Outlay	90	A13152	
Comptroller, Contr Expend	1,696	A13154	13,802
TOTAL Comptroller	**30,365**		**29,236**
Assessment, Pers Serv	31,918	A13551	32,415
Assessment, Equip & Cap Outlay		A13552	432
Assessment, Contr Expend	1,298	A13554	1,074
TOTAL Assessment	**33,216**		**33,921**
Clerk,pers Serv	32,443	A14101	36,400
Clerk,equip & Cap Outlay	64	A14102	126
Clerk,contr Expend	4,103	A14104	1,302
TOTAL Clerk	**36,610**		**37,827**
Law, Contr Expend	33,293	A14204	24,250
TOTAL Law	**33,293**		**24,250**
Buildings, Pers Serv	38,997	A16201	29,531
Buildings, Equip & Cap Outlay	6,860	A16202	3,753
Buildings, Contr Expend	6,274	A16204	7,088
TOTAL Buildings	**52,131**		**40,372**
Central Print & Mail,contr Expend	10,854	A16704	10,855
TOTAL Central Print & Mail	**10,854**		**10,855**
Unallocated Insurance, Contr Expend	45,803	A19104	45,952
TOTAL Unallocated Insurance	**45,803**		**45,952**
Municipal Assn Dues, Contr Expend	1,100	A19204	1,100
TOTAL Municipal Assn Dues	**1,100**		**1,100**
TOTAL General Government Support	**423,806**		**397,072**
Control of Animals, Pers Serv	7,070	A35101	7,070
Control of Animals, Contr Expend	828	A35104	1,506
TOTAL Control of Animals	**7,898**		**8,576**
TOTAL Public Safety	**7,898**		**8,576**
Street Admin, Pers Serv	139,972	A50101	146,767
Street Admin, Contr Expend	3,571	A50104	3,240
TOTAL Street Admin	**143,543**		**150,008**
Garage, Equip & Cap Outlay	4,584	A51322	2,580

(A) GENERAL

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Garage, Contr Expend	33,039	A51324	80,528
TOTAL Garage	**37,623**		**83,108**
TOTAL Transportation	**181,166**		**233,115**
Veterans Service, Contr Expend	1,000	A65104	1,000
TOTAL Veterans Service	**1,000**		**1,000**
Programs For Aging, Contr Expend	1,250	A67724	2,000
TOTAL Programs For Aging	**1,250**		**2,000**
TOTAL Economic Assistance And Opportunity	**2,250**		**3,000**
Parks, Contr Expend		A71104	116,368
TOTAL Parks	**0**		**116,368**
Playgr & Rec Centers, Pers Serv	88,517	A71401	79,244
Playgr & Rec Centers, Contr Expend	15,460	A71404	13,776
TOTAL Playgr & Rec Centers	**103,976**		**93,020**
Library, Contr Expend	65,000	A74104	65,000
TOTAL Library	**65,000**		**65,000**
Historian, Pers Serv	950	A75101	750
Historian, Contr Expend	20	A75104	
TOTAL Historian	**970**		**750**
TOTAL Culture And Recreation	**169,946**		**275,137**
State Retirement System	73,913	A90108	58,524
Social Security, Employer Cont	37,506	A90308	36,401
Unemployment Insurance, Empl Bnfts		A90508	2,926
Disability Insurance, Empl Bnfts	575	A90558	92
Hospital & Medical (dental) Ins, Empl Bnft	162,291	A90608	140,121
TOTAL Employee Benefits	**274,285**		**238,064**
TOTAL Expenditures	**1,059,352**		**1,154,965**
Transfers, Other Funds	60,000	A99019	
TOTAL Operating Transfers	**60,000**		**0**
TOTAL Other Uses	**60,000**		**0**
TOTAL Detail Expenditures And Other Uses	**1,119,352**		**1,154,965**

(A) GENERAL

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**598,515**	**A8021**	**525,548**
Prior Period Adj -Increase In Fund Balance		A8012	1,349
Prior Period Adj -Decrease In Fund Balance	5,451	A8015	
Restated Fund Balance - Beg of Year	**593,064**	**A8022**	**526,897**
ADD - REVENUES AND OTHER SOURCES	1,051,836		1,005,316
DEDUCT - EXPENDITURES AND OTHER USES	1,119,352		1,154,965
Fund Balance - End of Year	**525,548**	**A8029**	**377,247**

(A) GENERAL

Budget Summary

Code Description	2015	EdpCode	2016
Estimated Revenues			
Est Rev - Real Property Taxes	630,756	A1049N	615,554
Est Rev - Real Property Tax Items	10,000	A1099N	10,000
Est Rev - Departmental Income	22,000	A1299N	22,000
Est Rev - Use of Money And Property	2,500	A2499N	2,500
Est Rev - Licenses And Permits	3,000	A2599N	3,000
Est Rev - Fines And Forfeitures	185,000	A2649N	185,000
Est Rev - Sale of Prop And Comp For Loss	30,000	A2699N	30,000
Est Rev - State Aid	106,500	A3099N	106,500
TOTAL Estimated Revenues	**989,756**		**974,554**
Appropriated Fund Balance	227,000	A599N	227,000
TOTAL Estimated Other Sources	**227,000**		**227,000**
TOTAL Estimated Revenues And Other Sources	**1,216,756**		**1,201,554**

(A) GENERAL

Budget Summary

Code Description	2015	EdpCode	2016
Appropriations			
App - General Government Support	529,977	A1999N	503,648
App - Public Safety	9,070	A3999N	11,120
App - Transportation	239,849	A5999N	221,843
App - Economic Assistance And Opportunity	3,000	A6999N	6,000
App - Culture And Recreation	160,550	A7999N	168,550
App - Employee Benefits	274,310	A9199N	290,393
TOTAL Appropriations	**1,216,756**		**1,201,554**
TOTAL Appropriations And Other Uses	**1,216,756**		**1,201,554**

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	6,017	B200	2,262
TOTAL Cash	**6,017**		**2,262**
Accounts Receivable	11,151	B380	8,716
TOTAL Other Receivables (net)	**11,151**		**8,716**
Due From Other Funds		B391	86
TOTAL Due From Other Funds	**0**		**86**
Prepaid Expenses		B480	1,695
TOTAL Prepaid Expenses	**0**		**1,695**
TOTAL Assets and Deferred Outflows of Resources	**17,168**		**12,759**

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2014	EdpCode	2015
Accounts Payable	36	B600	
TOTAL Accounts Payable	**36**		**0**
Accrued Liabilities	49	B601	
TOTAL Accrued Liabilities	**49**		**0**
TOTAL Liabilities	**84**		**0**
Fund Balance			
Not in Spendable Form		B806	1,695
TOTAL Nonspendable Fund Balance	**0**		**1,695**
Assigned Appropriated Fund Balance	17,083	B914	22,809
TOTAL Assigned Fund Balance	**17,083**		**22,809**
Unassigned Fund Balance		B917	-11,744
TOTAL Unassigned Fund Balance	**0**		**-11,744**
TOTAL Fund Balance	**17,083**		**12,759**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**17,168**		**12,759**

(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	75,901	B1001	88,666
TOTAL Real Property Taxes	**75,901**		**88,666**
Franchises	8,300	B1170	8,716
TOTAL Non Property Tax Items	**8,300**		**8,716**
Zoning Fees	19,145	B2110	8,578
Planning Board Fees	1,675	B2115	475
TOTAL Departmental Income	**20,820**		**9,053**
Interest And Earnings	191	B2401	
TOTAL Use of Money And Property	**191**		**0**
Refunds of Prior Year's Expenditures		B2701	58
Unclassified (specify)	2,500	B2770	
TOTAL Miscellaneous Local Sources	**2,500**		**58**
TOTAL Revenues	**107,712**		**106,493**
TOTAL Detail Revenues And Other Sources	**107,712**		**106,493**

(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Central Print & Mail, Contr Expend	83	B16704	13
TOTAL Central Print & Mail	**83**		**13**
TOTAL General Government Support	**83**		**13**
Safety Inspection, Pers Serv	17,857	B36201	17,857
Safety Inspection, Contr Expend	2,645	B36204	2,717
TOTAL Safety Inspection	**20,502**		**20,574**
TOTAL Public Safety	**20,502**		**20,574**
Zoning, Pers Serv	38,979	B80101	39,230
Zoning, Contr Expend	497	B80104	933
TOTAL Zoning	**39,476**		**40,163**
Planning, Pers Serv	21,633	B80201	20,831
Planning, Contr Expend	539	B80204	421
TOTAL Planning	**22,173**		**21,252**
TOTAL Home And Community Services	**61,649**		**61,414**
State Retirement, Empl Bnfts	8,486	B90108	7,312
Social Security , Empl Bnfts	6,005	B90308	5,961
Hospital & Medical (dental) Ins, Empl Bnft	16,715	B90608	15,590
TOTAL Employee Benefits	**31,206**		**28,863**
TOTAL Expenditures	**113,439**		**110,864**
TOTAL Detail Expenditures And Other Uses	**113,439**		**110,864**

(B) GENERAL TOWN-OUTSIDE VG

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**22,816**	**B8021**	**17,091**
Prior Period Adj -Increase In Fund Balance		B8012	39
Restated Fund Balance - Beg of Year	**22,816**	**B8022**	**17,130**
ADD - REVENUES AND OTHER SOURCES	107,712		106,493
DEDUCT - EXPENDITURES AND OTHER USES	113,439		110,864
Fund Balance - End of Year	**17,091**	**B8029**	**12,763**

(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2015	EdpCode	2016
Estimated Revenues			
Est Rev - Real Property Taxes	88,666	B1049N	89,166
Est Rev - Use of Money And Property	250	B2499N	250
Est Rev - Licenses And Permits	22,400	B2599N	22,400
TOTAL Estimated Revenues	**111,316**		**111,816**
Appropriated Fund Balance	22,809	B599N	22,809
TOTAL Estimated Other Sources	**22,809**		**22,809**
TOTAL Estimated Revenues And Other Sources	**134,125**		**134,625**

(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2015	EdpCode	2016
Appropriations			
App - General Government Support	1,000	B1999N	1,000
App - Public Safety	23,558	B3999N	23,558
App - Health	1,600	B4999N	1,600
App - Home And Community Services	77,362	B8999N	77,824
App - Employee Benefits	30,605	B9199N	30,643
TOTAL Appropriations	**134,125**		**134,625**
TOTAL Appropriations And Other Uses	**134,125**		**134,625**

(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	18,127	DA200	64,651
TOTAL Cash	**18,127**		**64,651**
Accounts Receivable	388	DA380	
TOTAL Other Receivables (net)	**388**		**0**
Due From Other Funds		DA391	28,557
TOTAL Due From Other Funds	**0**		**28,557**
Prepaid Expenses		DA480	3,150
TOTAL Prepaid Expenses	**0**		**3,150**
TOTAL Assets and Deferred Outflows of Resources	**18,515**		**96,359**

(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2014	EdpCode	2015
Accounts Payable		DA600	3,010
TOTAL Accounts Payable	**0**		**3,010**
Accrued Liabilities		DA601	17,145
TOTAL Accrued Liabilities	**0**		**17,145**
Due To Other Funds	6,600	DA630	6,600
TOTAL Due To Other Funds	**6,600**		**6,600**
TOTAL Liabilities	**6,600**		**26,755**
Fund Balance			
Not in Spendable Form		DA806	3,150
TOTAL Nonspendable Fund Balance	**0**		**3,150**
Assigned Appropriated Fund Balance	11,915	DA914	17,142
Assigned Unappropriated Fund Balance		DA915	49,311
TOTAL Assigned Fund Balance	**11,915**		**66,453**
TOTAL Fund Balance	**11,915**		**69,603**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**18,515**		**96,359**

(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	157,159	DA1001	224,031
TOTAL Real Property Taxes	**157,159**		**224,031**
Interest And Earnings	112	DA2401	
TOTAL Use of Money And Property	**112**		**0**
Refunds of Prior Year's Expenditures		DA2701	10,100
TOTAL Miscellaneous Local Sources	**0**		**10,100**
TOTAL Revenues	**157,271**		**234,131**
Interfund Transfers	60,000	DA5031	
TOTAL Interfund Transfers	**60,000**		**0**
TOTAL Other Sources	**60,000**		**0**
TOTAL Detail Revenues And Other Sources	**217,271**		**234,131**

(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Maint of Bridges, Contr Expend	7,600	DA51204	
TOTAL Maint of Bridges	**7,600**		**0**
Brush And Weeds, Contr Expend	11,650	DA51404	12,205
TOTAL Brush And Weeds	**11,650**		**12,205**
Snow Removal, Pers Serv	116,065	DA51421	69,632
Snow Removal, Contr Expend	38,000	DA51424	48,882
TOTAL Snow Removal	**154,065**		**118,514**
TOTAL Transportation	**173,315**		**130,719**
State Retirement, Empl Bnfts	17,769	DA90108	13,592
Social Security , Empl Bnfts	9,700	DA90308	3,213
Hospital & Medical (dental) Ins, Empl Bnft	31,625	DA90608	28,920
TOTAL Employee Benefits	**59,094**		**45,724**
TOTAL Expenditures	**232,409**		**176,443**
TOTAL Detail Expenditures And Other Uses	**232,409**		**176,443**

(DA) HIGHWAY-TOWN-WIDE

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**27,054**	**DA8021**	**11,915**
Prior Period Adj -Increase In Fund Balance		DA8012	0
Restated Fund Balance - Beg of Year	**27,054**	**DA8022**	**11,915**
ADD - REVENUES AND OTHER SOURCES	217,271		234,131
DEDUCT - EXPENDITURES AND OTHER USES	232,409		176,443
Fund Balance - End of Year	**11,915**	**DA8029**	**69,605**

(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2015	EdpCode	2016
Estimated Revenues			
Est Rev - Real Property Taxes	224,031	DA1049N	240,158
Est Rev - Use of Money And Property	200	DA2499N	200
TOTAL Estimated Revenues	**224,231**		**240,358**
Appropriated Fund Balance	17,142	DA599N	17,142
TOTAL Estimated Other Sources	**17,142**		**17,142**
TOTAL Estimated Revenues And Other Sources	**241,373**		**257,500**

(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2015	EdpCode	2016
Appropriations			
App - Transportation	187,156	DA5999N	202,601
App - Employee Benefits	54,217	DA9199N	54,899
TOTAL Appropriations	**241,373**		**257,500**
TOTAL Appropriations And Other Uses	**241,373**		**257,500**

(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	364,859	DB200	350,921
TOTAL Cash	**364,859**		**350,921**
Accounts Receivable	154	DB380	
TOTAL Other Receivables (net)	**154**		**0**
Due From Other Funds	469,000	DB391	176,496
TOTAL Due From Other Funds	**469,000**		**176,496**
Due From Other Governments	175,495	DB440	169,906
TOTAL Due From Other Governments	**175,495**		**169,906**
Prepaid Expenses		DB480	13,863
TOTAL Prepaid Expenses	**0**		**13,863**
TOTAL Assets and Deferred Outflows of Resources	**1,009,507**		**711,186**

(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2014	EdpCode	2015
Accounts Payable	277	DB600	2,933
TOTAL Accounts Payable	**277**		**2,933**
Accrued Liabilities	26,458	DB601	124
TOTAL Accrued Liabilities	**26,458**		**124**
TOTAL Liabilities	**26,736**		**3,057**
Fund Balance			
Not in Spendable Form		DB806	13,863
TOTAL Nonspendable Fund Balance	**0**		**13,863**
Assigned Appropriated Fund Balance	246,000	DB914	246,000
Assigned Unappropriated Fund Balance	736,772	DB915	448,266
TOTAL Assigned Fund Balance	**982,772**		**694,266**
TOTAL Fund Balance	**982,772**		**708,129**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**1,009,507**		**711,186**

(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	637,311	DB1001	623,828
TOTAL Real Property Taxes	**637,311**		**623,828**
Sales Tax (from County)	644,549	DB1120	645,814
TOTAL Non Property Tax Items	**644,549**		**645,814**
Safety Inspection Fees	650	DB1560	
TOTAL Departmental Income	**650**		**0**
Transportation Services, Other Govts	29,851	DB2300	-2,990
TOTAL Intergovernmental Charges	**29,851**		**-2,990**
Interest And Earnings	2,879	DB2401	1,824
TOTAL Use of Money And Property	**2,879**		**1,824**
Permits, Other		DB2590	200
TOTAL Licenses And Permits	**0**		**200**
Sales of Scrap & Excess Materials	3,534	DB2650	229
Sales of Equipment	100,900	DB2665	
Insurance Recoveries		DB2680	30,765
TOTAL Sale of Property And Compensation For Loss	**104,434**		**30,993**
Refunds of Prior Year's Expenditures		DB2701	720
Unclassified (specify) Additional Description MISC		DB2770	123
TOTAL Miscellaneous Local Sources	**0**		**843**
St Aid, Consolidated Highway Aid	244,944	DB3501	188,234
TOTAL State Aid	**244,944**		**188,234**
TOTAL Revenues	**1,664,618**		**1,488,747**
TOTAL Detail Revenues And Other Sources	**1,664,618**		**1,488,747**

(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Maint of Streets, Pers Serv	246,915	DB51101	283,793
Maint of Streets, Contr Expend	142,248	DB51104	155,726
TOTAL Maint of Streets	**389,162**		**439,519**
Perm Improve Highway, Equip & Cap Outlay	244,944	DB51122	232,289
TOTAL Perm Improve Highway	**244,944**		**232,289**
Machinery, Equip & Cap Outlay	38,126	DB51302	241,098
Machinery, Contr Expend	247,604	DB51304	269,426
TOTAL Machinery	**285,730**		**510,524**
Snow Removal, Pers Serv	108,075	DB51421	128,730
Snow Removal, Contr Expend	57,027	DB51424	45,600
TOTAL Snow Removal	**165,102**		**174,330**
TOTAL Transportation	**1,084,939**		**1,356,662**
State Retirement, Empl Bnfts	77,892	DB90108	59,808
Social Security, Empl Bnfts	26,876	DB90308	32,592
Disability Insurance, Empl Bnfts	422	DB90558	101
Hospital & Medical (dental) Ins, Empl Bnft	121,554	DB90608	113,970
TOTAL Employee Benefits	**226,743**		**206,471**
Debt Principal, Bond Anticipation Notes		DB97306	178,901
TOTAL Debt Principal	**0**		**178,901**
Debt Interest, Bond Anticipation Notes	166,538	DB97307	21,357
TOTAL Debt Interest	**166,538**		**21,357**
TOTAL Expenditures	**1,478,220**		**1,763,390**
TOTAL Detail Expenditures And Other Uses	**1,478,220**		**1,763,390**

(DB) HIGHWAY-PART-TOWN

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**823,765**	**DB8021**	**982,772**
Prior Period Adj -Decrease In Fund Balance	27,393	DB8015	0
Restated Fund Balance - Beg of Year	**796,372**	**DB8022**	**982,772**
ADD - REVENUES AND OTHER SOURCES	1,664,618		1,488,747
DEDUCT - EXPENDITURES AND OTHER USES	1,478,220		1,763,390
Fund Balance - End of Year	**982,772**	**DB8029**	**708,132**

(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2015	EdpCode	2016
Estimated Revenues			
Est Rev - Real Property Taxes	623,828	DB1049N	672,719
Est Rev - Non Property Tax Items	475,000	DB1199N	475,000
Est Rev - Use of Money And Property	2,000	DB2499N	8,000
Est Rev - State Aid	219,016	DB3099N	219,016
TOTAL Estimated Revenues	**1,319,844**		**1,374,735**
Appropriated Fund Balance	246,000	DB599N	246,000
TOTAL Estimated Other Sources	**246,000**		**246,000**
TOTAL Estimated Revenues And Other Sources	**1,565,844**		**1,620,735**

(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2015	EdpCode	2016
Appropriations			
App - Transportation	1,086,600	DB5999N	1,141,389
App - Employee Benefits	278,244	DB9199N	278,346
App - Debt Service	201,000	DB9899N	201,000
TOTAL Appropriations	**1,565,844**		**1,620,735**
TOTAL Appropriations And Other Uses	**1,565,844**		**1,620,735**

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	892	H200	
TOTAL Cash	**892**		**0**
Due From Other Governments	527,422	H440	218,272
TOTAL Due From Other Governments	**527,422**		**218,272**
TOTAL Assets and Deferred Outflows of Resources	**528,313**		**218,272**

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2014	EdpCode	2015
Accounts Payable	52,384	H600	33,288
TOTAL Accounts Payable	**52,384**		**33,288**
Accrued Liabilities	58,987	H601	
TOTAL Accrued Liabilities	**58,987**		**0**
Bond Anticipation Notes Payable	894,504	H626	568,653
TOTAL Notes Payable	**894,504**		**568,653**
Due To Other Funds	561,982	H630	269,344
TOTAL Due To Other Funds	**561,982**		**269,344**
TOTAL Liabilities	**1,567,857**		**871,285**
Deferred Inflows of Resources			
Deferred Inflow of Resources	40,349	H691	
TOTAL Deferred Inflows of Resources	**40,349**		**0**
TOTAL Deferred Inflows of Resources	**40,349**		**0**
Fund Balance			
Unassigned Fund Balance	-1,079,892	H917	-653,013
TOTAL Unassigned Fund Balance	**-1,079,892**		**-653,013**
TOTAL Fund Balance	**-1,079,892**		**-653,013**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**528,313**		**218,272**

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Interest And Earnings	28	H2401	
TOTAL Use of Money And Property	**28**		**0**
Unclassified (specify) Additional Description MISC		H2770	40,349
TOTAL Miscellaneous Local Sources	**0**		**40,349**
St Aid-Capital Projects	120,000	H3097	16,235
TOTAL State Aid	**120,000**		**16,235**
Fed Aid - Cap Projects	640,000	H4097	89,039
TOTAL Federal Aid	**640,000**		**89,039**
TOTAL Revenues	**760,028**		**145,623**
Bans Redeemed From Appropriations		H5731	178,901
TOTAL Proceeds of Obligations	**0**		**178,901**
TOTAL Other Sources	**0**		**178,901**
TOTAL Detail Revenues And Other Sources	**760,028**		**324,524**

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Maint of Bridges, Equip & Cap Outlay	862,991	H51202	44,593
TOTAL Maint of Bridges	**862,991**		**44,593**
Machinery, Equip & Cap Outlay	159,756	H51302	
TOTAL Machinery	**159,756**		**0**
TOTAL Transportation	**1,022,747**		**44,593**
Debt Principal, Bond Anticipation Notes		H97306	
TOTAL Debt Principal	**0**		**0**
Debt Interest, Bond Anticipation Notes	16,953	H97307	
TOTAL Debt Interest	**16,953**		**0**
TOTAL Expenditures	**1,039,700**		**44,593**
TOTAL Detail Expenditures And Other Uses	**1,039,700**		**44,593**

(H) CAPITAL PROJECTS

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**-799,550**	**H8021**	**-1,079,892**
Prior Period Adj -Increase In Fund Balance		H8012	146,950
Prior Period Adj -Decrease In Fund Balance	671	H8015	
Restated Fund Balance - Beg of Year	**-800,221**	**H8022**	**-932,943**
ADD - REVENUES AND OTHER SOURCES	760,028		324,524
DEDUCT - EXPENDITURES AND OTHER USES	1,039,700		44,593
Fund Balance - End of Year	**-1,079,892**	**H8029**	**-653,014**

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Land	705,157	K101	705,157
Buildings	954,403	K102	954,403
Machinery And Equipment	2,637,526	K104	2,637,526
TOTAL Fixed Assets (net)	**4,297,085**		**4,297,085**
TOTAL Assets and Deferred Outflows of Resources	**4,297,085**		**4,297,085**

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2014	EdpCode	2015
Liabilities, Deferred Inflows And Fund Balance			
Total Non-Current Govt Assets	4,297,085	K159	4,297,085
TOTAL Investments in Non-Current Government Assets	**4,297,085**		**4,297,085**
TOTAL Fund Balance	**4,297,085**		**4,297,085**
TOTAL	**4,297,085**		**4,297,085**

(SF) FIRE PROTECTION

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	2,281	SF200	1,199
TOTAL Cash	**2,281**		**1,199**
TOTAL Assets and Deferred Outflows of Resources	**2,281**		**1,199**

(SF) FIRE PROTECTION

Balance Sheet

Code Description	2014	EdpCode	2015
Fund Balance			
Assigned Appropriated Fund Balance	2,018	SF914	
Assigned Unappropriated Fund Balance	263	SF915	1,199
TOTAL Assigned Fund Balance	**2,281**		**1,199**
TOTAL Fund Balance	**2,281**		**1,199**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**2,281**		**1,199**

(SF) FIRE PROTECTION

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	329,745	SF1001	406,834
TOTAL Real Property Taxes	**329,745**		**406,834**
Interest And Earnings	5	SF2401	
TOTAL Use of Money And Property	**5**		**0**
TOTAL Revenues	**329,749**		**406,834**
TOTAL Detail Revenues And Other Sources	**329,749**		**406,834**

(SF) FIRE PROTECTION

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Fire Protection, Contr Expend	329,715	SF34104	407,916
TOTAL Fire Protection	**329,715**		**407,916**
TOTAL Public Safety	**329,715**		**407,916**
TOTAL Expenditures	**329,715**		**407,916**
TOTAL Detail Expenditures And Other Uses	**329,715**		**407,916**

(SF) FIRE PROTECTION

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**2,247**	**SF8021**	**2,280**
Prior Period Adj -Increase In Fund Balance		SF8012	1
Restated Fund Balance - Beg of Year	**2,247**	**SF8022**	**2,281**
ADD - REVENUES AND OTHER SOURCES	329,749		406,834
DEDUCT - EXPENDITURES AND OTHER USES	329,715		407,916
Fund Balance - End of Year	**2,280**	**SF8029**	**1,199**

(SL) LIGHTING

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	664	SL200	2,567
TOTAL Cash	**664**		**2,567**
TOTAL Assets and Deferred Outflows of Resources	**664**		**2,567**

(SL) LIGHTING

Balance Sheet

Code Description	2014	EdpCode	2015
Fund Balance			
Assigned Appropriated Fund Balance	663	SL914	2,567
TOTAL Assigned Fund Balance	**663**		**2,567**
TOTAL Fund Balance	**663**		**2,567**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**663**		**2,567**

(SL) LIGHTING

Results of Operation

Code Description	2014	EdpCode	2015
Revenues			
Real Property Taxes	13,300	SL1001	15,525
TOTAL Real Property Taxes	**13,300**		**15,525**
Interest And Earnings	17	SL2401	
TOTAL Use of Money And Property	**17**		**0**
TOTAL Revenues	**13,317**		**15,525**
TOTAL Detail Revenues And Other Sources	**13,317**		**15,525**

(SL) LIGHTING

Results of Operation

Code Description	2014	EdpCode	2015
Expenditures			
Street Lighting, Contr Expend	13,805	SL51824	13,622
TOTAL Street Lighting	**13,805**		**13,622**
TOTAL Transportation	**13,805**		**13,622**
TOTAL Expenditures	**13,805**		**13,622**
TOTAL Detail Expenditures And Other Uses	**13,805**		**13,622**

(SL) LIGHTING

Analysis of Changes in Fund Balance

Code Description	2014	EdpCode	2015
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	**1,150**	**SL8021**	**661**
Prior Period Adj -Increase In Fund Balance		SL8012	3
Restated Fund Balance - Beg of Year	**1,150**	**SL8022**	**664**
ADD - REVENUES AND OTHER SOURCES	13,317		15,525
DEDUCT - EXPENDITURES AND OTHER USES	13,805		13,622
Fund Balance - End of Year	**661**	**SL8029**	**2,566**

(TA) AGENCY

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Cash	45,852	TA200	78,760
TOTAL Cash	**45,852**		**78,760**
Miscellaneous Current Assets		TA489	23,612
TOTAL Other	**0**		**23,612**
TOTAL Assets and Deferred Outflows of Resources	**45,852**		**102,372**

(TA) AGENCY

Balance Sheet

Code Description	2014	EdpCode	2015
Due To Other Funds		TA630	52,385
TOTAL Due To Other Funds	**0**		**52,385**
State Retirement		TA18	1,789
Group Insurance	302	TA20	834
Income Executions		TA23	158
Assoc & Union Dues		TA24	338
Guaranty & Bid Deposits	45,550	TA30	46,868
TOTAL Agency Liabilities	**45,852**		**49,987**
TOTAL Liabilities	**45,852**		**102,372**
TOTAL Liabilities, Deferred Inflows And Fund Balance	**45,852**		**102,372**

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2014	EdpCode	2015
Assets			
Total Non-Current Govt Liabilities	4,854	W129	122,434
TOTAL Provision To Be Made In Future Budgets	**4,854**		**122,434**
TOTAL Assets and Deferred Outflows of Resources	**4,854**		**122,434**

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2014	EdpCode	2015
Net Pension Liability -Proportionate Share		W638	118,930
Compensated Absences	4,854	W687	3,504
TOTAL Other Liabilities	**4,854**		**122,434**
TOTAL Liabilities	**4,854**		**122,434**
TOTAL Liabilities	**4,854**		**122,434**

TOWN OF Chatham
Statement of Indebtedness
For the Fiscal Year Ending 2015

County of: Columbia

Municipal Code: 100314900000

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
2013	BAN	N	Highway Equipment			04/15/2013	04/26/2018	2.75%		$734,748	$734,748	$146,950	$0	($146,950)		$440,849
2014	BAN	N	Highway Equipment			09/26/2014	09/26/2019	3.25%		$159,756	$159,756	$31,951	$0	$0		$127,805
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year										$0	$894,504	$178,901	$0	($146,950)	$0	$568,653
AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year										$0	$894,504	$178,901	$0	($146,950)	$0	$568,653

TOWN OF Chatham
Schedule of Time Deposits and Investments
For the Fiscal Year Ending 2015

	EDP Code	Amount
CASH:		
On Hand	9Z2001	$200.00
Demand Deposits	9Z2011	$252,168.00
Time Deposits	9Z2021	$516,557.00
Total		$768,925.00
COLLATERAL:		
- FDIC Insurance	9Z2014	$250,000.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	$1,740,418.25
Total		$1,990,418.25
INVESTMENTS:		
- Securities (450)		
Book Value (cost)	9Z4501	
Market Value at Balance Sheet Date	9Z4502	
Collateralized with securities held in possession of municipality or its agent	9Z4504A	
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	
Market Value at Balance Sheet Date	9Z4512	
Collateralized with securities held in possession of municipality or its agent	9Z4514A	

TOWN OF Chatham
Bank Reconciliation
For the Fiscal Year Ending 2015

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
*****-0697	$516,557	$0	$0	$516,557
*****-1107	$91,063	$0	$0	$91,063
*****-2351	$157,497	$0	$146,591	$10,906
*****-2343	$24,410	$0	$12,023	$12,387
*****-2378	$137,812	$0	$0	$137,812

Total Adjusted Bank Balance			$768,725
Petty Cash			$200.00
Adjustments			$.00
Total Cash	9ZCASH	*	$768,925
Total Cash Balance All Funds	9ZCASHB	*	$768,925

* Must be equal

TOWN OF Chatham
Local Government Questionnaire
For the Fiscal Year Ending 2015

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

TOWN OF Chatham
Employee and Retiree Benefits
For the Fiscal Year Ending 2015

	Total Full Time Employees:	16			
	Total Part Time Employees:	17			
Account Code	**Description**	**Total Expenditures (All Funds)**	**# of Full Time Employees**	**# of Part Time Employees**	**# of Retirees**
90108	State Retirement System	$139,236.00	14	2	
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	$78,167.00	16	17	
90408	Worker's Compensation Insurance				
90458	Life Insurance				
90508	Unemployment Insurance	$2,926.00		1	
90558	Disability Insurance	$192.00	12	2	
90608	Hospital and Medical (Dental) Insurance	$298,601.00	14	1	4
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
	Total	**$519,122.00**			
Computed Total From Financial Section (comparative purposes only)		**$519,122.73**			

TOWN OF Chatham
Energy Costs and Consumption
For the Fiscal Year Ending 2015

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	$15,395	7,491	gallons	
Diesel Fuel	$48,249	20,510	gallons	
Fuel Oil	$4,668	2,988	gallons	
Natural Gas			cubic feet	
Electricity	$27,689	68,955	kilowatt-hours	
Coal			tons	
Propane	$119	57	gallons	pounds

TOWN OF Chatham
Schedule of Other Post Employment Benefits (OPEB)
For the Fiscal Year Ending 2015

Annual OPEB Cost and Net OPEB Obligation

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

Funded Status and Funding Process

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

Other OPEB Information

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

(A) GENERAL

Adjustment Reason

Account Code A8012 DUE FROM OTHER GOVTS ON TOWN BOOKS IN PRIOR YEAR NOT RECORDED ON ANNUAL UPDATE DOCUMENT

(B) GENERAL TOWN-OUTSIDE VG

Adjustment Reason

Account Code B8012 PRIOR PERIOD ADJ

(DA) HIGHWAY-TOWN-WIDE

Adjustment Reason

Account Code DA8012 ADJ

(DB) HIGHWAY-PART-TOWN

Adjustment Reason

Account Code DB8015 ADJ

(SF) FIRE PROTECTION

Adjustment Reason

Account Code SF8012 ADJ

(SL) LIGHTING

Adjustment Reason

Account Code SL8012 ADJ

(H) CAPITAL PROJECTS

Adjustment Reason

Account Code H8012 PRIOR YEAR BANS REDEEMED FROM APPROPRIATIONS NOT RECORDED

Account Code H8015 PRIOR YEAR BANS REDEEMED FROM APPROPRIATIONS UNRECORDED

I. Summary of Significant Accounting Policies:

The financial statements of the Town of Chatham have been prepared on a regulatory basis in conformity with the New York State Accounting and Reporting Manual prescribed by the New York State Office of the State Comptroller.

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Town Board has authorized the presentation of financial information in accordance with the reporting model in effect prior to that described in GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis - for State and Local Governments" and GASB Statement No. 45 "Accounting and Financial Employers for Postemployment Benefits Other Than Pensions." The basis of accounting used has been applied in a manner consistent with the prior period. See Note I.D. for discussion of generally accepted accounting principles (GAAP) departures for GASB No. 34 and GASB No. 45.

A. Financial Reporting Entity:

The Town of Chatham, New York is governed by its Charter, the Town law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations, the Supervisor serves as chief executive officer and chief fiscal officer.

All governmental activities and functions performed for the Town of Chatham, New York 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 Chatham, (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 Statement Numbers 14, 39 and 61.

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, and 61 including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, no other entities were determined to be included in the Town of Chatham reporting entity.

I. Summary of Significant Accounting Policies (continued):

B. Fund Accounting:

The Town uses funds 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.

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

1. **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 the 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.

General Fund - the principal operating fund and includes all operations not accounted for and reported in other funds.

Special Revenue Funds - used to account for and report the proceeds of specific 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:

General Town - Outside - the operating fund of the Town outside the geographic limits of the incorporated village.

Highway – Town wide - used to account for the tax revenues used to maintain the highways and streets to portions of the Town.

Highway – outside village – used to account for the tax revenues used to maintain the highways and streets outside the geographical limits of the incorporated village.

Lighting Fund – used to account for the tax revenues used to supply lighting services to portions of the Town.

Fire Protection – used to account for the tax revenues used to supply fire protection services to portions of the Town.

I. Summary of Significant Accounting Policies (continued):

B. Fund Accounting (continued):

Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of capital facilities and other capital assets.

b. **Fiduciary Funds** – used to account for assets held by the local government in a trustee or custodial capacity:

Trust and Agency Funds - used to account for money (and/or property) received in the capacity of trustee, custodian, or agent. These include expendable trusts.

C. Basis of Accounting/Measurement Focus:

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

Modified Accrual Basis - All Governmental 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 said to be available if collected within 60 days of the end of the current fiscal year.

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

Expenditures are recorded when a liability is incurred except that:

a. Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase, with the exception of NYS Retirement System prepayments, in accordance with NYS bulletin *Pension Accounting and Reporting Changes*, dated September 2011.

I. Summary of Significant Accounting Policies (continued):

C. Basis of Accounting/Measurement Focus (continued):

b. Principal and interest on indebtedness are recognized as expenditures when payment is due.

c. Compensated absences, such as vacation and sick leave which vests or accumulates, are charged as an expenditure when payment is due.

d. Other post-employment benefits are charged as expenditures when payment is due.

Fixed assets are recorded at cost or fair market value at the time received as an expenditure. However, reporting requirements of the New York State Accounting and Reporting Manual require fixed assets to be recorded at actual or estimated cost, or in the case of gifts and contributions, at the fair market value at the time received in the Non-Current Government Assets Group. No provision for depreciation is required. Long-term debt liabilities are recorded at the par value of the principal amount in the Non-Current Government Liabilities Account Group. No liability is recorded for interest payable to maturity.

D. GASB No. 34 and GASB No. 45:

GASB Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" has not been implemented by the Town through the year ended December 31, 2015. Therefore, the Town is not following GAAP as it relates to GASB No. 34 in these financial statements. The financial statement presentation would be significantly different if GASB No. 34 were to be applied.

The additional minimum financial reporting requirements of GASB No. 34 for state and local governments include:

Management's Discussion and Analysis (MD&A) – The MD&A is a component of required supplementary information (RSI). The MD&A is an introduction to the basic financial statements and an analytical overview of the government's financial activities.

RSI other than MD&A, such as the required budgetary comparison schedule for the general fund and major special revenue funds, generally is included immediately following the notes to the financial statements.

1. Summary of Significant Accounting Policies (continued):

D. GASB No. 34 and GASB No. 45 (continued):

Infrastructure reporting – Capitalizing and depreciating a government's infrastructure assets (e.g., roads, bridges, dams, water and sewer systems, etc.).

Full accrual accounting - Includes a Statement of Net Assets and Statement of Activities with a bridge from the modified accrual basis to the full accrual basis for governmental fund types.

GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits (OPEB) Other Than Pensions" includes postemployment healthcare, life insurance or similar forms when provided separately from a pension plan. The Statement establishes a standard for measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information. GASB No. 45 was applicable to the Town as of January 1, 2009 but was not implemented through the year ended December 31, 2015. Therefore, the Town is not following GAAP as it relates to GASB No. 45 in these financial statements. Any liability has not been determined; therefore, no liability has been recorded by the Town.

The Town also does not apply GASB No. 34 as discussed above. The Town's financial statements for governmental fund types are presented using the modified accrual basis. As a result, the majority of GASB No. 45 requirements would not be applicable until GASB No. 34 is implemented because GASB No. 45 focuses on the full accrual basis of accounting.

E. Fund Balances:

In fiscal 2011, the Town implemented Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). GASB 54 changed the classification of fund balance to focus on the constraints imposed on resources in governmental funds, instead of the previous focus on availability for appropriation.

Fund balance is now broken down into five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

I. Summary of Significant Accounting Policies (continued):

E. Fund Balances (continued):

Nonspendable consists of assets that are inherently nonspendable 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.

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.

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 Town Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance.

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

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 classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Unrestricted fund balance below the minimum should be replenished within the succeeding fiscal year.

I. Summary of Significant Accounting Policies (continued):

F. Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the General and Special Revenue Funds. Encumbrances are reported as restrictions, commitments, or assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred. There were no encumbrances outstanding as of December 31, 2015.

G. Deferred Outflows/Inflows of Resources:

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, defined and classified deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets that applies to future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditure) until that time. A deferred inflow of resources is an acquisition of net assets that applies to future period(s), and as such, will not be recognized as an inflow of resources (revenue) until that time. There were no deferred outflows or inflows as of December 31, 2015.

H. Insurance:

The Town 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.

J. 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 $298,061 was paid on behalf of 4 retirees and 15 active employees and is recorded as an expenditure in the General and Highway funds. The cost of providing benefits for 4 retirees is not separable from the cost of providing benefits for the 15 active employees.

I. Summary of Significant Accounting Policies (continued):

K. Use of Estimates:

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

L. Interfund Transactions:

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

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the Town's practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to Note III.C. for a detailed disclosure by individual fund for interfund payables and receivables.

M. Compensated Absences:

Employees accrue sick leave based primarily on the number of years employed up to a maximum rate of 10 days per year, but vacation time does not accumulate and does not vest, therefore it does not carry over to the following year.

Employees accrue sick leave at a maximum of 10 days per year, and may accumulate such leave up to a maximum of 165 days. Upon termination of employment with the Town, employees are reimbursed for any unused sick leave at a rate of $60 per day. This amount is added to the employee's last paycheck, or at the option of the employee can be used to purchase additional retirement credit in accordance with NYS ERS regulations.

I. Summary of Significant Accounting Policies (continued):

M. Compensated Absences (continued):

In governmental and fiduciary funds, the cost of sick leave is recognized when payments are made to employees. The liability for compensated absences totaled $3,504 at December 31, 2015; there was a $4,854 liability for compensated absences at December 31, 2014, therefore the liability decreased $1,350 during 2015. This liability is recorded in the Long-Term Debt (W) fund.

N. Newly Adopted Accounting Standards

The Town of Chatham has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2015, the Unit implemented the following new standard(s) issued by GASB:

GASB has issued Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27*, effective for the year ending December 31, 2015.

II. Stewartship, Compliance, Accountability:

A. Budget Policies: - The budget policies are as follows:

a. No later than October 5, the budget officer submits a tentative budget to the Town Board for the fiscal year commencing the following January. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.

b. After public hearings are conducted to obtain taxpayer comments, no later than November 20, the governing board adopts the budget.

c. All modifications of the budget must be approved by the governing board. However, the Supervisor is authorized to transfer certain budgeted amounts within departments.

d. Budget(s) are adopted annually on a basis consistent with Generally Accepted Accounting Principles.

e. Appropriations in all budgeted funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-apportioned in the subsequent year.

II. Stewardship, Compliance, Accountability (continued):

B. Property Taxes:

Real property taxes are levied annually no later than December 19, and become a lien on January 1. Taxes are collected during the period January 1 to April 1.

Unpaid town taxes are turned over to the county for enforcement. Any such taxes remaining unpaid at year-end are relevied as county taxes in the subsequent year.

The Town is permitted by the Constitution of New York State to levy taxes up to 2% of the five-year average full-assessed valuation for general governmental services other than the payment of debt service and capital expenditures. For the year ended December 31, 2015, the Town had a legal deficit of $1,127.

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 in a particular year, beginning with the 2012-2013 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. The Town Board may elect to override the two percent limit by two thirds or more vote.

C. Deficit Fund Balances:

The General A fund had a deficit fund balance of ($49,689) at December 31, 2015. The principal factor which caused this shortage was an over appropriation of fund balance for the 2016 fiscal year. The Town Board has implemented budgetary allowances to cover this deficit in the succeeding year.

The General B fund had a deficit fund balance of ($11,745) at December 31, 2015. The principal factor which caused this shortage was an over appropriation of fund balance for the 2016 fiscal year. The Town Board has implemented budgetary allowances to cover this deficit in the succeeding year.

The Capital H fund had a deficit fund balance of ($758,287) at December 31, 2015. The principal factor which caused this deficit was BANs payable. As the BANs are redeemed, the fund balance deficit will be covered by those redemptions until paid in full, which at that time the deficit will be covered.

III. Detail Notes on All Funds:

A. Assets:

1. Cash:

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 or trust companies located within the State. The Town Supervisor is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit as provided by law 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.

Deposits at year-end were covered entirely by federal depository insurance or collateral held by the Town's custodial bank in the Town's name. Deposits consisted of:

Bank	Bank Balance	Carrying Amount	FDIC Insurance	Collateral
National Union Bank of Kinderhook	$927,339	$768,725	$250,000	$1,740,418

III. Detail Notes on All Funds (continued):

B. Liabilities:

1. Pension Plans:

Plan Description

The Town of Chatham participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as 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 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 of Chatham 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.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

Benefits Provided

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

Tiers 1 and 2

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

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

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

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

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.

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.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (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.

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.

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.

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.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

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.

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.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

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) or January 9, 2010 (PFRS) 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:

2015	$	139,236
2014		178,060
2013		168,478

Chapter 260 of the Laws of 2004 of the State of New York was enacted that allows local employers to bond or amortize a portion of their retirement bill for up to 10 years in accordance with the following schedule:

- For State fiscal year (SFY) 2004-05, the amount in excess of 7 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the bonding/amortization was instituted.
- For SFY 2005-06, the amount in excess of 9.5 percent of employees' covered pensionable salaries.
- For SFY 2007-08, the amount in excess of 10.5 percent of employees' covered pensionable salaries.

The Town of Chatham has no unpaid amounts at December 31, 2015.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

Chapter 57 of the Laws of 2010 of the State of New York was enacted that allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-11, the amount in excess of the graded rate of 9.5 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.
- The interest rate will be set annually, and will be comparable to taxable fixed income investments of a similar duration.
- For subsequent State fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

The Town of Chatham has no unpaid amounts at December 31, 2015.

Chapter 57 of the Laws of 2013 of the State of New York was enacted that allows local employers to amortize a portion of their retirement bill for up to 12 years in accordance with the following stipulations:

- The maximum amount an employer can amortize is the difference between the normal annual contribution (total bill, excluding payments for deficiency, group life, previous amortizations, incentive costs, and prior year adjustments) and the graded contribution.
- For subsequent State fiscal years (SFYs), the graded rate will increase or decrease by up to one-half of one percent depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.
- The interest rate will be set annually, and will be comparable to a 12-year US Treasury Bond plus 1 percent.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

- For subsequent SFYs in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

The Town of Chatham has no unpaid amounts at December 31, 2015.

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

At December 31, 2015, the Town of Chatham reported a liability of $118,930 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2015, the Town's proportion was .0035205 percent.

Actuarial Assumptions

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

	ERS	PFRS
Inflation	2.7%	2.7%
Salary increases	4.9%	6.0%
Investment rate of return (net of investment expense, including inflation)	7.5%	7.5%

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

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

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

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 are summarized below:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	7.30%
International equity	8.55%
Private equity	11%
Real estate	8.25%
Absolute return strategies	6.75%
Opportunistic portfolio	8.60%
Real assets	8.65%
Bonds and mortgages	4%
Cash	2.25%
Inflation-indexed bonds	4%

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

1. Pension Plans (continued):

Discount Rate

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

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

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

	1% Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Town of Chatham's proportionate share of the net pension liability	$792,722	$118,930	($449,917)

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

2. Short-Term Debt

Liabilities for bond anticipation notes (BANs) are generally accounted for in the capital projects funds and the enterprise fund. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12-month period thereafter.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs 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.

Summary of BANs:

Description	Original Date Issued	Original Amount	Rate (%)	Maturity	Outstanding 12/31/2015
Highway DB Fund:					
Highway Trucks	4/18/2013	734,748	2.75%	2018	440,849
Motor Vehicle	9/26/2014	159,756	3.25%	2019	127,805
Total		$ 894,504			$ 568,654

3. Long-Term Debt

a. Outstanding indebtedness aggregated equals $122,434.

b. Other Long-Term liabilities:

In addition to the above long-term debt, the local government had the following non-current liabilities:

Compensated Absences – Represents the value of earned and unused portion of the liability for compensated absences.

Net Pension Liability – Represents the value of the Town's proportionate share of the net pension liability.

III. Detail Notes on All Funds (continued):

B. Liabilities (continued):

3. Long-Term Debt (continued):

d. The following is a summary of changes in long-term liabilities:

	Balance at 12/31/2014	Additions	Deductions	Balance at 12/31/2015
Compensated Absences	$ 4,854	$ -	$ (1,350)	$ 3,504
Net Pension Liability	-	118,930	-	118,930
Total	$ 4,854	$ 118,930	$ (1,350)	$ 122,434

C. Interfund Receivables and Payables:

Interfund receivables and payables were as follows:

Fund	Receivables	Payables
General A	$ 123,190	$ -
General B	86	-
Highway DA	28,557	6,600
Highway DB	176,496	-
Capital H	-	269,344
Trust & Agency TA	-	52,385
Total	$ 328,329	$ 328,329

D. Fund Equity:

1. Allocation of Fund Balance

Certain funds of Town apply to areas less than the entire Town. The fund equity at balance sheet date is allocated as follows:

Fund	Not in Spendable Form	Unassigned	Assigned, Unapprop.	Assigned, Approp.	Reserved	Total
General A	$ 13,565	$ (786)	$	$ 227,000	$ 137,468	$ 377,247
General B	1,695	(11,745)	-	22,809	-	12,759
Highway DA	3,150	-	49,311	17,142	-	69,603
Highway DB	13,863	-	448,266	246,000	-	708,129
Capital H	-	(653,013)	-	-	-	(653,013)
Fire SF	-	-	1,199	-	-	1,199
Lighting SL	-	-	2,567	-	-	2,567
Total	$ 32,273	$ (665,544)	$ 501,343	$ 512,951	$ 137,468	$ 518,491

III. Detail Notes on All Funds (continued):

D. Fund Equity (continued):

2. Reserves

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

Fund	Purpose	Balance at December 31, 2015
General A	Crellin Park	$ 7,726
General A	Office	769
General A	Open Space	1,302
General A	Town Hall	126,613
General A	Commnity Garden	1,058
Total		$ 137,468

IV. Commitments and Contingencies:

In accordance with the agreement between the NYS Department of Transportation and the Town for the White Mills Road Bridge project, the Town has recorded expenditures to date amounting to $1,873,235. The project is funded 80% Federal, 15% State and 5% local Town share. As of December 31, 2015 the Town has recorded $55,593 in expenditures for 2015 and a receivable of $218,272, as result of the requests submitted for reimbursement. All Federal and State grant funds require approval by regulatory agencies thus some or all of these funds recorded could be deemed ineligible for reimbursement. Also based on requirements under the Federal Single Audit Act these expenditures require an independent audit, the results of which could render the expenditures ineligible for reimbursement.

V. Subsequent Events:

Subsequent events have been evaluated through June 8,2016, which is the date the Annual Update Document is available to be submitted.