



**TOWN OF LEWISBORO
TOWN BOARD WORK SESSION
AGENDA
TOWN HOUSE
MARCH 9, 2015
7:30 P.M.**

PUBLIC COMMENT

COMMUNICATIONS

- **Town of Lewisboro Justice Court Auditors' Report for Year Ending December 31, 2014**
- **East of Hudson Watershed Corporation Financial Statements and Auditor's Report for Years ending December 31, 2012 and 2013**

CONSENT AGENDA

- **Approval of Minutes for February 23, 2015**
- **Monthly Reports February 2015**
 - **Building Department**
 - **Planning Board**
 - **Police Department**

NEW BUSINESS

- **Community Choice Aggregation Energy Program Presentation by Michael Gordon, Co-Chairman of Sustainable Westchester, and Subsequent Discussion**
- **Discussion of Waccabuc Historic District Nomination**

OLD BUSINESS

- **Discussion of Zoning Changes Necessary to Accommodate Hotels**
- **Discussion of Bed & Breakfast Draft Ordinance**

APPROVAL OF CLAIMS

POLLING OF THE BOARD

ANNOUNCEMENTS

- **Town Board Meeting March 23, 2015 at 7:30 p.m. at the Town House, 11 Main Street, South Salem.**

MOTION TO GO INTO EXECUTIVE SESSION

Town Board Meetings Accessibility: The Town of Lewisboro is committed to providing equal access to all its facilities, services and activities to the fullest extent possible. The Town House, Cyrus Russell Community House, Onatru Farmhouse, and the Town Offices at Orchard Square are accessible to persons with physical handicaps. If anyone who wishes to attend any meeting of the Town Board has special needs, please contact the Supervisor's Office (763-3151) at least one week before any scheduled meeting, and we will try to accommodate whenever possible.

Town of Lewisboro, New York

Town Justice Court

Statement of Cash Receipts, Cash Disbursements
and Cash Balances

Year Ended December 31, 2014

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying statement of cash receipts, cash disbursements and cash balances of the Town Justice Court of the Town of Lewisboro, New York, as of and for the year ended December 31, 2014, and the related note to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the basis of accounting described in Note 1; this includes determining that the basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts, cash disbursements and the cash balances of the Town Justice Court of the Town of Lewisboro, New York as of December 31, 2014 and for the year then ended, in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement was prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of the Board of Trustees, the Office of Court Administration and management and is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
January 20, 2015

Town of Lewisboro, New York

Town Justice Court

Statement of Cash Receipts, Cash Disbursements and Cash Balances

Year Ended December 31, 2014

	Joint Bail	Fines and Parking	
		Justice Seedorf	Justice Simon
CASH RECEIPTS			
Bail	\$ 16,441	\$ -	\$ -
Fines, fees and other	-	196,467	198,882
Total Cash Receipts	16,441	196,467	198,882
CASH DISBURSEMENTS			
Remittance to Town	-	187,778	186,468
Bail Refunds and Bail Applied to Fines and Forfeitures	22,160	-	-
Total Cash Disbursements	22,160	187,778	186,468
Excess (Deficiency) of Cash Receipts Over Cash Disbursements	(5,719)	8,689	12,414
CASH BALANCES			
Beginning of Year	12,650	-	-
End of Year	\$ 6,931	\$ 8,689	\$ 12,414
CASH BALANCES REPRESENTED BY			
Amount due to Town	\$ -	\$ 8,689	\$ 12,414
Undisposed Cases	6,931	-	-
	\$ 6,931	\$ 8,689	\$ 12,414

Town of Lewisboro, New York

Town Justice Court
Note to Financial Statement
December 31, 2014

Note 1 - Summary of Significant Accounting Policies

A. Basis of Accounting

This financial statement was prepared on the basis of cash receipts and disbursements in conformity with the accounting principles prescribed in the New York State Handbook for Town and Village Justices, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.

B. Deposits and Risk Disclosures

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

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

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

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2014.

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

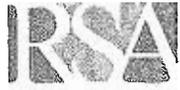
EAST OF HUDSON WATERSHED CORPORATION

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT

For the Years Ended
December 31, 2013 and 2012

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R.S. ABRAMS & CO., LLP

Accountants & Consultants for Over 75 years

Robert S. Abrams
(1926–2014)

Marianne E. Van Duyne, CPA
Alexandria M. Battaglia, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
East of Hudson Watershed Corporation

We have audited the accompanying financial statements of East of Hudson Watershed Corporation (a nonprofit organization) which comprise the statement of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East of Hudson Watershed Corporation as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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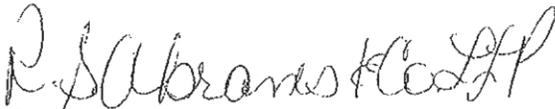
Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules on pages 11-16 of functional expenses and of stormwater retrofit funds expended, repaid, committed and on hand are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014 on our consideration of East of Hudson Watershed Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering East of Hudson Watershed Corporation's internal control over financial reporting and compliance.



R.S. Abrams & Co., LLP

Islandia, NY

November 13, 2014

EAST OF HUDSON WATERSHED CORPORATION
STATEMENT OF FINANCIAL POSITION
December 31, 2013 and 2012

	2013	2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 17,242,340	\$ 16,795,207
Receivables	131,000	84
Prepaid insurance	63,626	82,574
Total Current Assets	17,436,966	16,877,865
Other Assets		
Property and equipment, net	22,646	15,918
Other assets-rent security	1,400	1,400
Total Assets	\$ 17,461,012	\$ 16,895,183
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 2,446,527	\$ 1,148,255
Non SRP temporarily restricted	30,000	
Deferred revenues-short-term	2,779,554	10,492,170
Total Current Liabilities	5,256,081	11,640,425
Long Term Liabilities		
Deferred revenues	12,148,619	5,231,203
Total Liabilities	17,404,700	16,871,628
Net Assets		
Program temporarily restricted	56,312	23,555
Total Net Assets	56,312	23,555
Total Liabilities and Net Assets	\$ 17,461,012	\$ 16,895,183

See notes to financial statements

EAST OF HUDSON WATERSHED CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Totals</u>
REVENUES			
Program revenues		\$ 10,795,201	\$ 10,795,201
Non SRP Reimbursements		40,000	40,000
Interest		32,762	32,762
Net assets released from restrictions	\$ 10,795,206	(10,795,206)	-
Total Revenues	<u>10,795,206</u>	<u>72,757</u>	<u>10,867,963</u>
EXPENSES			
Program Services:			
Phosphorus removal	10,439,985		10,439,985
Non-SRP expenses reimbursed		40,000	40,000
Total Program Services	<u>10,439,985</u>	<u>40,000</u>	<u>10,479,985</u>
Supporting Services:			
General and administrative	355,221		355,221
Total Supporting Services	<u>355,221</u>	<u>-</u>	<u>355,221</u>
Total Expenses	<u>10,795,206</u>	<u>40,000</u>	<u>10,835,206</u>
Change in Net Assets	-	32,757	32,757
Net Assets at Beginning of Year	-	23,555	23,555
Net Assets at End of Year	<u>\$ -</u>	<u>\$ 56,312</u>	<u>\$ 56,312</u>

See notes to financial statements

EAST OF HUDSON WATERSHED CORPORATION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Totals</u>
REVENUES			
Program revenues		\$ 2,050,422	\$ 2,050,422
Non SRP Reimbursements			
Interest		23,555	23,555
Net assets released from restrictions	\$ 2,050,422	(2,050,422)	
Total Revenues	<u>2,050,422</u>	<u>23,555</u>	<u>2,073,977</u>
EXPENSES			
Program Services:			
Phosphorus removal	1,801,195	-	1,801,195
Total Program Services	<u>1,801,195</u>	<u>-</u>	<u>1,801,195</u>
Non Program Services:			
Non SRP Expenses			
Total Non Program Services	<u>-</u>	<u>-</u>	<u>-</u>
Supporting Services:			
General and administrative	249,227		249,227
Total Supporting Services	<u>249,227</u>	<u>-</u>	<u>249,227</u>
Total Expenses	<u>2,050,422</u>	<u>-</u>	<u>2,050,422</u>
Change in Net Assets	-	23,555	23,555
Net Assets at Beginning of Year	-	-	-
Net Assets at End of Year	<u>\$ -</u>	<u>\$ 23,555</u>	<u>\$ 23,555</u>

See notes to financial statements

EAST OF HUDSON WATERSHED CORPORATION
STATEMENTS OF CASH FLOWS
For the YearS Ended December 31, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities		
Change in net assets	\$ 32,757	\$ 23,555
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,752	1,886
(Increase) decrease in:		
Other receivables	(130,916)	(84)
Prepaid insurance	18,948	(82,574)
Other assets-rent security		(1,400)
Increase (decrease) in:		
Accounts payable and accrued expenses	1,298,272	1,148,255
Non SRP temporarily restricted	30,000	
Deferred revenues-short-term	(7,712,616)	10,492,170
Net Cash Provided (Used) by Operating Activities	(6,459,803)	11,581,808
Cash Flows From Investing Activities		
Purchase of fixed assets	(10,480)	(17,804)
Net Cash (Used) by Investing Activities	(10,480)	(17,804)
Cash Flows From Financing Activities		
Deferred revenues-long term	6,917,416	5,231,203
Net Cash Provided by Financing Activities	6,917,416	5,231,203
Net Increase in Cash	447,133	16,795,207
Cash and Cash Equivalents at Beginning of Year	16,795,207	
Cash and Cash Equivalents at End of Year	\$ 17,242,340	\$ 16,795,207

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

(1) **Organization**

The East of Hudson Watershed Corporation ("EOHWC") was formed on October 18, 2011 under Section 1411 of the New York State Not-for-Profit Corporation Law. EOHWC is operated for charitable purposes and was established to administer, coordinate and implement through a single entity the East of Hudson regional stormwater retrofit plans (SRPs) approved by the New York State Department of Environmental Conservation (NYSDEC). The EOHWC is an organization comprised of a coalition of municipalities in Westchester, Putnam and Dutchess Counties which are located in the New York City Watershed east of the Hudson River.

The SRPs were developed in response to heightened phosphorus removal requirements of the NYDEC. These are embodied in the Municipal Separate Storm Sewer Systems State Pollutant Discharge Elimination System (SPDES) General Permit No. GP-0-10-002 (the MS4 Permit). Entities covered under the MS4 permit (MS4 operators) that exceed their established discharge levels must address requirements aimed at achieving specified pollutant load reductions and to implement SRPs. The NYSDEC phosphorus reduction targets applicable to the SRPs are for the five year period May 1, 2010 to April 30, 2015 as follows: 2010-Year 1; 2011-Year 2; 2012-Year 3, 2013-Year 4 and 2014-Year 5.

Prior to the formation of EOHWC, MS4 operators were responsible for implementing their own SRPs in Years 1 and 2. EOHWC was created to act as a Regional Stormwater Entity (RSE) through which MS4 operators could act in concert by becoming a member of the RSE. Membership will enable resource sharing as well as enhanced funding opportunities among participating members. In addition, through the RSE MS4 operators are subject to "bubble compliance" whereby members can jointly implement SRPs throughout the members' communities in order to achieve the five-year phosphorus removal requirement as a whole.

In May of 2012, the NYSDEC authorized EOHWC to combine the separate SRPs into one consolidated program which enabled EOHWC to assume the obligations of the municipalities in Westchester, Putnam and Dutchess Counties, which are located within the East of Hudson New York City Watershed. As a result, EOHWC was eligible for funding as follows: \$15.5 million from the NYCDEP 2010 Water Supply Permit; \$4.5 million from the NYCDEP 2007 Filtration Avoidance Determination (FAD); \$10 million from Westchester County and \$8.2 million from Putnam County of which \$676,204 was used by the Putnam County to fund Year 2 SRPs. In total during 2013 EOHWC received funds totaling \$10,070,000 of which \$70,000 was from the Town of Bedford for requested modifications.

As of December 31, 2013, EOHWC had 19 members (18 towns/villages and 1 county). Each member has passed resolutions to join EOHWC and to authorize the implementation of the SRPs on their behalf.

(2) **Summary of Significant Accounting Policies**

(a) Financial Statement Presentation

EOHWC follows the requirements of the Not-For-Profit Topic of the FASB Accounting Standards Codification. As required, EOHWC reports information regarding its financial position and activities according to three classes of net assets, unrestricted net assets temporarily restricted net assets and permanently restricted net assets depending on donor imposed restrictions, if any.

(b) Basis of Accounting

The EOHWC's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

- (c) **Cash and Cash Equivalents**
EOHWC considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.
- (d) **Investment Income**
Interest on investments funds are reported as increases in temporarily restricted net assets in accordance with the NYCDEP funding agreement.
- (e) **Property and Equipment**
Expenditures for furniture, equipment and certain intangibles with useful lives in excess of one year that costs more than \$300 are capitalized and recorded at cost while repairs and maintenance which do not improve or extend the life of an asset are expensed. Furniture and equipment are generally depreciated using the straight line method over their estimated useful lives of 5 – 7 years.
- (f) **Tax Status**
EOHWC has applied for exempt status as an organization under Section 501(c) 3 of the Internal Revenue Code. As of December 31, 2013 the application was still pending.

EOHWC has adopted the provisions of FASB ASC 740, *Income Taxes*, which requires that a tax position be recognized or derecognized based on a “more likely than not” threshold. This applies to positions taken or expected to be taken in a tax return. EOHWC does not believe its financial statements include any uncertain tax positions.
- (g) **Functional Allocation of Expenses**
The costs of implementing the phosphorus removal program (Stormwater Retrofit Projects) and other activities have been summarized on a functional basis in the statement of activities and the schedule of functional expenses. Accordingly, certain costs have been allocated between program and non-program services.
- (h) **The Use of Estimates in the Preparation of Financial Statements**
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 may differ from those estimates.

(3) **Credit Risk**

Financial instruments which potentially subject EOHWC to a concentration of credit risk are cash accounts with major financial institutions in excess of FDIC insurance limits. At December 31, 2013, EOHWC's only cash accounts (money market, operating and NYC DEP WSP) with balances that exceeded the current FDIC limit are subject to a third party collateral agreement and therefore management believes the credit risk related to these accounts are minimal. There were no investments made during the 2013 and 2012 fiscal years.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

(4) **Receivables**

The receivables for EOHWC for the year ended December 31, 2013 and 2012 are \$131,000 and \$84, respectively. The current receivables are reimbursements composed of \$40,000 from the Town of Bedford and \$91,000 Putnum County. EOHWC has deemed these amounts to be fully collectible.

(5) **Property and Equipment**

Property and equipment as of December 31, 2013 and 2012, is summarized as follows:

	2013			2012
	Historic Cost	Accumulated Depreciation/ Amortization	Net Book Value	Net Book Value
Equipment	\$ 7,342	\$ 3,268	\$ 4,074	\$ 4,501
Furnitures and Fixtures	20,316	2,325	17,991	11,417
Computer Software	626	45	581	
	\$ 28,284	\$ 5,638	\$ 22,646	\$ 15,918

Depreciation/amortization expense for the years ended December 31, 2013 and 2012 is \$3,752 and \$1,886, respectively.

(6) **Compensated Absences**

EOHWC's policy is to accrue for compensated absences for vacation time and sick pay if such expenses can be reasonably estimated. As of December 31, 2013 and 2012 the accrued liabilities for compensated absences were \$11,854 and \$0 respectively.

(7) **Temporarily Restricted Net Assets**

Temporarily restricted assets are available for Stormwater Retrofit Projects.

(8) **Deferred Revenues**

During 2013 EOHWC received funding from Westchester and Putnam Counties totaling \$17,773,796 towards the planning, design and implementation of various SRPs. These funds are treated as deferred (unearned) revenues until actual expenditures are made for both program and non-program (supporting) costs. As of December 31, 2013 and 2012, EOHWC has total expenditures (paid and incurred) of \$10,835,206 and \$2,050,422, respectively. The liability deferred revenues totaled \$14,931,926 and \$15,723,373 respectively for the fiscal year ended December 31, 2013 and 2012 of which \$6,780,418 and \$10,492,170 is short-term based on total actual expenditures paid and incurred during calendar year 2013 and 2012.

EAST OF HUDSON WATERSHED CORPORATION
NOTES TO FINANCIAL STATEMENTS
December 31, 2013 and 2012

(9) **Commitments and Contingencies**

Operating Leases:

EOHWC has operating leases for its office space and its copier. The copier lease is a month-to-month lease which can be canceled by either party upon thirty days written notice. Total expense related to the copier lease was \$3,670 and \$794 for the year ended December 31, 2013 and 2012, respectively.

The original office lease was for the three year period commencing April 2, 2012 and ending December 31, 2014. This lease required monthly rent payments of \$1,400. Beginning November 1, 2012 the lease was amended as a result of EOHWC increasing the amount of office space occupied and monthly rent increased to \$1,800 through February 2013. In March 2013 monthly rent increased again to \$2,161 as a result of utilizing additional office space.

Rental payments for the year ended December 31, 2013 and 2012 amounted to \$25,555 and \$13,516.

The minimum rental payments under the office lease for future fiscal years through the last lease payment are as follows:

	<u>Amount</u>
For the year ended:	
December 31, 2014	\$40,700
December 31, 2015	42,700
December 31, 2016	42,700
December 31, 2017	<u>3,500</u>
Total	\$129,600

(10) **Subsequent Events**

Subsequent to the year ended December 31, 2013, EOHWC executed additional contracts related to Stormwater Retrofit projects with various towns and villages located in Westchester and Putnam Counties. The supplemental schedule of Stormwater Retrofit Funds (SRFs) Expended, Repaid, Committed and On Hand presented on pages 13-16 of the financial statements presents a summary of contracts entered into since inception. From January 1, 2014 to October 31, 2014 EOHWC had additional outstanding commitments related to Stormwater Retrofit Projects totaling \$2,779,554 of which \$1,963,396 was applicable to Westchester County and \$816,158 was applicable to Putnam County.

In June 2014 EOHWC and the landlord executed a rider to the original lease to formally recognize the increased space occupied by EOHWC. The rider established monthly rent at \$3,500 for the period February 1, 2014 through January 31, 2017. The lease can be terminated by either party at any time upon thirty days prior notice in writing.

Management of EOHWC evaluated subsequent events through November 13, 2014, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

EAST OF HUDSON WATERSHED CORPORATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2013

	Program Services		Supporting Services			Total
	Stormwater Retrofit Projects		General and Administrative			
	Putnam	Westchester	Putnam	Westchester		
Salaries	\$ 70,718	\$ 54,770	\$ 73,881	\$ 73,881	\$	\$ 273,250
Employee health and payroll taxes	7,272	5,516	21,673	21,673		56,134
Total Salaries and Related Expenses	77,990	60,286	95,554	95,554		329,384
Supplies			2,816	2,816		5,632
Travel	1,023	731	421	421		2,596
Consulting	528,373	726,490	17,873	17,873		1,290,609
Construction*	1,812,786	5,599,242				7,412,028
Printing & postage	950	5,804	333	333		7,420
Advertising	705	6,627	4,374	4,374		16,080
Municipal Reimbursable	823,284	811,793				1,635,077
Bank charges			95	95		190
Legal & audit	2,340	9,750	22,404	22,404		56,898
Telephone			1,986	1,986		3,972
Insurance			14,178	14,178		28,356
Permits & licensing	5,400	6,411				11,811
Equipment rental			1,835	1,835		3,670
Rent			12,778	12,778		25,556
Conferences			550	550		1,100
Depreciation & amortization			1,876	1,876		3,752
Miscellaneous			538	537		1,075
Total Other Expenses	3,174,861	7,166,848	82,057	82,056		10,505,822
Total Expenses	\$ 3,252,851	\$ 7,227,134	\$ 177,611	\$ 177,610		\$ 10,835,206

*Includes non SRP expenses of \$40,000

See Other Matters Paragraph Included in Independent Auditor's Report

EAST OF HUDSON WATERSHED CORPORATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2012

	Program Services		Supporting Services			
	Stormwater Retrofit Projects		General and Administrative		Total	
	Putnam	Westchester	Putnam	Westchester		
Salaries	\$ 22,614	\$ 25,562	\$ 44,105	\$ 44,105	\$ 136,386	
Employee health and payroll taxes	2,714	3,067	7,000	7,000	19,781	
	<u>25,328</u>	<u>28,629</u>	<u>51,105</u>	<u>51,105</u>	<u>156,167</u>	
Total Salaries and Related Expenses						
Supplies	10	11	2,335	2,335	4,691	
Travel	173	196	935	935	2,239	
Consulting	535,661	605,501	7,872	7,872	1,156,906	
Printing & postage	577	652	40	39	1,308	
Public relations	359	406	625	625	2,015	
Municipal Reimbursable	272,345	307,853			580,198	
Bank charges			60	60	120	
Legal & audit	2,222	2,512	37,624	37,624	79,982	
Telephone			1,998	1,998	3,996	
Insurance		424.00	12,960	12,960	26,344	
Permits & licensing	376		397	397	376	
Equipment rental					794	
Rent			6,758	6,758	13,516	
Conferences			360	360	720	
Depreciation & amortization			943	943	1,886	
Miscellaneous	8,400	9,560	602	602	19,164	
Total Other Expenses	820,123	927,115	73,509	73,508	1,894,255	
Total Expenses	<u>\$ 845,451</u>	<u>\$ 955,744</u>	<u>\$ 124,614</u>	<u>\$ 124,613</u>	<u>\$ 2,050,422</u>	

See Other Matters Paragraph Included in Independent Auditors' Report

East of Hudson Watershed Corporation
 Schedule of Stormwater Retrofit Funds (SRFs) Expended,
 Repaid, Committed and On Hand
 For the Year Ended December 31, 2013

Description	Westchester County					Putnam County				
	Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013	Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013
Active/Pending Contracts:	Project									
2012-02-1	B-MU-07	\$ 67,694	\$ 26,150		\$ 35,773	\$ 5,771				\$ -
B-MU-07	B-MU-07	432,626			341,351	91,275				-
B-MU-21	B-MU-21		85,029	\$ (85,029)						-
B-MU-36	B-MU-36	702			702					-
2013-10-01	Carmel-AM-111					\$ 46,473			\$ 373	46,100
2012-01-3	Carmel-AM-112					129,679	\$ 22,480			107,199
Carmel-AM-112	Carmel-AM-112					594,213				564,504
2012-01-3	Carmel-AM-116					113,193	35,128			70,337
Carmel-AM-116	Carmel-AM-116					831,218				314,657
2012-01-1	Carmel-CF-102					55,029	8,756			32,045
2013-10-01	Carmel-CF-103					55,124	10,318			1,225
2012-01-1	Carmel-CF-113					63,784	8,454			39,901
2012-01-1	Carmel-PA-01						12,620	\$ (12,620)		-
2013-10-01	Carmel-PA-03					54,365				5,246
2012-02-2	C-NC-01	4,239	3,901		338					-
2012-02-2	C-NC-01A	103,210	9,396		35,043	58,772				-
2012-02-2	C-NC-01B	51,141	1,746		18,204	31,191				-
2013-03-01	Kent-MB-311B					55,732				23,782
2012-01-2	Kent-MB-ADD2						26,576	(26,576)		-
2012-01-2	Kent-MB-ADD3					46,523	22,542			17,061
Kent-MB-ADD3	Kent-MB-ADD3					127,250				123,950
2012-01-2	Kent-MB-ADD5					33,592	16,387			12,416
Kent-MB-ADD5	Kent-MB-ADD5					91,256				84,765
2012-01-2	Kent-PA-31					29,852	19,138			4,426
Kent-PA-31	Kent-PA-31					54,400				54,400
2013-11-01	L-CR-10A	31,327			327	31,000				-
2013-11-01	L-CR-10B	30,327			327	30,000				-
2013-06-01	L-CR-12A	46,101			4,422	41,678				-
2013-06-01	L-CR-11B	46,101			993	45,107				-
2013-06-01	L-CR-11C	37,127			704	36,422				-
2013-06-01	L-CR-11D	4,401			645	3,756				-
2013-06-01	L-CR-11E	4,401			645	3,756				-
2012-02-3	L-CR-14	68,761	7,314		29,523	31,924				-
2012-02-3	L-CR-16	53,076	7,266		20,027	25,787				-
2012-02-3	L-CR-17		5,116	(5,116)						-
2012-02-3	L-CR-25		6,398	(6,398)						-
2013-11-01	L-CR-28	65,239			239	65,000				-
2013-07-01	MK-NC-20	27,317			12,905	14,412				-
2013-07-01	MK-NC-21	22,412			11,919	10,493				-
2013-07-01	MK-NC-22	30,583			15,458	15,125				-
MK-NC-29	MK-NC-29	4,057			4,057					-
2013-12-01	NewC-NCR-12A	40,947			21,463	19,483				-
2013-12-01	NewC-NCR-12B	40,987			1,654	39,283				-
2013-12-01	NewC-NCR-12C	40,875			1,591	39,283				-
2013-12-01	NewC-NCR-13	21,198			1,048	20,150				-
2013-04-01	NewC-NCR-32-2B	37,500			249	37,251				-
2013-04-01	NewC-NCR-32-3	29,170			249	28,921				-
2013-04-01	NewC-NCR-32-4	27,270			249	27,021				-
2012-02-4	NS-MU-01A	48,892	13,290	(2,000)	27,467	10,135				-
2012-02-4	NS-MU-01B	22,636	5,874		10,945	5,818				-
2012-02-4	NS-MU-01C	21,802	5,459		9,078	7,065				-
2012-02-4	NS-MU-10	34,026	4,666		2,409	28,951				-
2012-02-4	NS-MU-11	39,843	10,033		18,822	10,989				-
Pat-EB-09-01	Pat-EB-09-01					77,520	77,520			-
2012-01-4	Pat-EB-09-01					29,089				8,049
2012-01-4	PAT-EB-09-02					21,764				1,764
2013-09-01	PAT-EB-09-03A					11,898				21,893
2013-09-01	PAT-EB-09-03B					3,008				3,008
2012-01-4	PAT-MB-05					25,198				1,198
Pat-MB-06	Pat-MB-05					15,125				15,125
2012-01-4	Pat-MB-05					17,899				4,179
2012-01-4	Patterson-PA-11					35,060				6,100
Patterson-PA-11	Patterson-PA-11					181,940				172,843
2012-01-3	PC-1					175,119	55,327			119,792
2012-01-1	PC-10					1,277,794				969,168
2012-01-1	PC-12						5,777	(5,777)		-
2012-01-3	PC-1A						5,939	(5,939)		-
PC-1A	PC-1A					77,831				13,026
PC-5N-55	PC-5N-55					765,818				534,861
PutVal-PA-02	PutVal-PA-02					148				148
SE-POT-01	SE-POT-01					973,197	73,173	(73,173)		185,992
SE-POT-02	SE-POT-02						1,315	(1,315)		-
2013-09-01	SE-POT-08					47,443				2,486

East of Hudson Watershed Corporation
 Schedule of Stormwater Retrofit Funds (SRFs) Expended,
 Repaid, Committed and On Hand
 For the Year Ended December 31, 2013

Description	Westchester County					Putnam County					
	Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013	Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013	
S-MU-01	S-MU-01	196,794	56,552	(4,988)	138,421	6,810					
2013-05-01	S-MU-03	260,661			98,936	161,725					
S-MU-09A	S-MU-09A	152,308	43,860	(3,868)	107,354	5,053					
S-MU-09B	S-MU-09B	171,289	49,339	(4,352)	120,765	5,536					
S-MU-09C	S-MU-09C	627,734	180,912	(15,957)	456,930	5,849					
S-MU-09D	S-MU-09D	171,626	49,339	(4,352)	120,765	5,874					
S-MU-09E	S-MU-09E	228,341	65,787	(5,802)	166,025	2,332					
S-MU-09F	S-MU-09F	304,413	87,719	(7,737)	219,709	4,723					
S-MU-16/17	S-MU-16/17		593	(593)							
S-NC-36	S-NC-36	400			400						
Southeast-PA-05	Southeast-PA-05					219,866	65,091	(65,091)	203,775	16,091	
2012-02-1	Southeast-PA-23		16,250	(16,250)							
Southeast-PA-23	Southeast-PA-23					420,240			420,240		
VB-DI-31	VB-DI-31					6,140			6,140		
VB-DI-31	VB-DI-31					2,429,930			1,272,899	1,167,031	
VB-DI-32	VB-DI-32					13,260			13,260		
VB-DI-32	VB-DI-32					2,162,113	314,634		808,075	1,039,404	
2012-02-2	Y-MU-10	57,067	7,101		20,428	29,538					
2012-02-2	Y-MU-14	56,997	7,771		28,822	20,403					
2012-02-2	Y-MU-17A	27,371	7,605		19,766						
Y-MU-17A	Y-MU-17A	76,475			72,126	4,349					
2012-02-2	Y-MU-17B	41,366	6,493		30,550	4,023					
Y-MU-17B	Y-MU-17B	141,150			135,432	5,718					
		\$ 4,049,820	\$ 770,957	\$ (162,442)	\$ 2,365,552	\$ 1,075,752	\$ 10,919,066	\$ 841,305	\$ (250,622)	\$ 6,170,783	\$ 4,157,600

Reimbursement Contracts:

B-MU-07	B-MU-07	\$ 70,000			\$ 40,000	\$ 30,000				\$ -	
B-MU-21	B-MU-21	459,803		\$ 49,004	409,180	1,619					
B-MU-22	B-MU-22	80,468		38,025	42,443						
Carmel-CF-119B	Carmel-CF-119B					\$ 53,299	\$ 281		\$ 518	\$ 52,500	
Kent-MB-ADD 4/19	Kent-MB-ADD 4/19					201,619	1,632		188,852	11,135	
NS-MU-05	NS-MU-05	246,585			246,585						
PutVal-PA-02	PutVal-PA-02					122,631	\$ 60,131		62,500		
SE-DI-03	SE-DI-03					16,350			16,350		
SE-PA-24	SE-PA-24					5,150			5,150		
SE-POT-01	SE-POT-01					167,514		73,173	94,341		
SE-POT-02	SE-POT-02					113,432		1,315	102,423	9,694	
S-MU-01	S-MU-01	13,870	\$ 1,285	3,347	9,237						
S-MU-09A	S-MU-09A	10,610	804	2,865	6,941						
S-MU-09B	S-MU-09B	11,977	804	3,525	7,648						
S-MU-09C	S-MU-09C	44,460	804	15,936	27,720						
S-MU-09D	S-MU-09D	11,977	804	3,188	7,985						
S-MU-09E	S-MU-09E	16,078	768	5,156	10,154						
S-MU-09F	S-MU-09F	21,873	862	7,513	13,498						
S-MU-16/17	S-MU-16/17	44,392		6,119	1,892	36,381					
Southeast-EB-05	Southeast-EB-05					25,873		158	25,715		
Southeast-PA-05	Southeast-PA-05					119,172		65,850	53,322		
Southeast-PA-06	Southeast-PA-06					289		289			
Southeast-PA-23	Southeast-PA-23					50,846		16,250	34,596		
VB-DI-31	VB-DI-31					455,870			113,464	342,406	
VB-DI-31 Bond	VB-DI-31					2,500			2,500		
VB-DI-32	VB-DI-32					500,042			94,555	405,487	
VB-DI-32 Bond	VB-DI-32					2,500			2,500		
		\$ 1,032,093	\$ 6,132	\$ (134,678)	\$ 823,283	\$ 68,000	\$ 1,837,094	\$ 1,913	\$ (217,166)	\$ 796,793	\$ 821,222

Closed Contracts:

Carmel-AM-127	Carmel-AM-127				\$ -	\$ 351	\$ 211		\$ 140	\$ -
Carmel-CF-123	Carmel-CF-123					221	211		10	
2012-01-1	Carmel-PA-01					17,674		\$ 12,620	5,054	
Carmel-PA-18	Carmel-PA-18					268	258		10	
Kent-MB-ADD2	Kent-MB-ADD2					50,503		26,576	23,927	
Kent-MB-ADD2	Kent-MB-ADD2					203,581			203,581	
Kent-MB-NLC	Kent-MB-NLC					209	199		10	
2012-02-3	L-CR-17	\$ 7,939		\$ 5,116	\$ 2,823					
2012-02-3	L-CR-25	14,826		6,398	8,428					
2012-02-1	MK-NC-09	110			110					
MK-NC-14	MK-NC-14	100			100					
2013-07-01	MK-NC-25	560			560					
MK-NC-33	MK-NC-33	78			78					

East of Hudson Watershed Corporation
 Schedule of Stormwater Retrofit Funds (SRFs) Expended,
 Repaid, Committed and On Hand
 For the Year Ended December 31, 2013

Description		Westchester County					Putnam County				
		Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013	Total Contracts*/ Committed thru 12/31/2013	Expended thru 12/31/2012	Reclass	Expended during 2013	Remaining (Committed) Contract Amount After 12/31/2013
2013-04-01	Newic-NCR-32-2A	33,406			33,406	-				-	
NS-MU-08/09	NS-MU-08/09	171,981	\$ 171,435		546	-				-	
Pat-EB-09-04a-c	Pat-EB-09-04a-c					161	118		43	-	
Patterson-PA-10	Patterson-PA-10					598	194		404	-	
2012-01-1	PC-10					8,748		5,777	2,971	-	
2012-01-1	PC-12					12,885		5,939	6,946	-	
PW-120	PW-120					147			147	-	
S-MU-35	S-MU-35	19			19	-				-	
S-MU-NP3	S-MU-NP3	2,538	961		1,577	-				-	
S-MU-NP4	S-MU-NP4	349	314		35	-				-	
S-NC-NP4	S-NC-NP4	19			19	-				-	
Southeast-EB-05	Southeast-EB-05						158	(158)		-	
Southeast-PA-05	Southeast-PA-05						759	(759)		-	
Southeast-PA-06	Southeast-PA-06						289	(289)		-	
Add Program reporting		231,924	172,710	11,514	47,701	-	295,346	2,397	49,706	243,243	
Add payroll taxes allocated to programs		16,316			16,316	-	16,316			16,316	
		3,067	3,067			-	2,714	2,714			
Grand Totals by County		\$ 5,333,220	\$ 952,866	\$ (16,250)	\$ 3,252,852	\$ 1,143,752	\$ 13,070,536	\$ 848,329	\$ 16,250	\$ 7,227,135	\$ 4,978,822

Grand Totals-Both Counties:

Westchester	\$ 5,333,220	\$ 952,866	\$ (16,250)	\$ 3,252,852	\$ 1,143,752
Putnam	13,070,536	848,329	16,250	7,227,135	4,978,822
Grand Totals Both Counties	\$ 18,403,756	\$ 1,801,195	-	\$ 10,479,987	\$ 6,122,574

As of December 31, 2013 EOHWC had cash on hand available in the amount of \$17,242,340 for Stormwater Retrofit Projects.

* based on EOHWC's responsible portion, in some instances the Total Contract dollar amount reflects costs advanced through 12/31/2013 ahead of execution of a formal contract or resolution which occurred after 12/31/2013

Notes:

- 1) The contracts reflected in the above reflect Stormwater Retrofit project activities in various Westchester and Putnam County municipalities including Carmel, Kent, Patterson, Bedford, Mt. Kisco, Cortlandt, Lewisboro, North Salem, New Castle, Somers, Southeast, Yorktown, Putnam Valley and Village of Brewster.
- 2) Total Contracts/Committed amounts include administrative costs associated with individual projects allowable under funding agreements
- 3) The listing of contracts presented in this schedule represents contracts that were executed 2012 through December 31, 2013
- 4) Contract amounts can change at any time, up or down, due to change orders reflecting revisions to the project.
- 5) A contract initially started can be closed if the project is deemed not viable and/or cost prohibitive

East of Hudson Watershed Corporation
 Schedule of Stormwater Retrofit Funds (SRFs) Expended,
 Repaid, Committed and On Hand
 For the Year Ended December 31, 2012

Description	Westchester County				Putnam County			
	Total Contract*	Expended through 12/31/2012	Reclass	Remaining(Committed)Contract Amount After 12/31/2012	Total Contract*	Expended through 12/31/2012	Reclass	Remaining(Committed)Contract Amount After 12/31/2012
Active Contracts:								
2012-01-1				\$ -	\$ 161,660	\$ 51,863		\$ 109,797
2012-01-2				-	145,812	93,178		52,634
2012-01-3				-	574,850	104,200		470,650
2012-01-4				-	119,500	77,520		41,980
2012-02-1	\$ 109,432	\$ 42,400		67,032				-
2012-02-2	332,314	44,013		288,301				-
2012-02-3	141,400	26,094		115,306				-
2012-02-4	177,700	39,322		138,378				-
B-MU-07	502,626	-		502,626				-
B-MU-21 & B-MU-22	85,029	85,029		-				-
S-MU-01 & MU-09A	2,048,225	533,506		1,514,719				-
S-MU-16/17	593	593		-				-
Kent-MB-ADD3	-	-		-	200	200		-
Kent-MB-ADD 4 & 19	-	-		-	171,250	-		171,250
Pat-EB-09-01	-	-		-	-	-		-
PutVal-PA-02	-	-		-	60,131	60,131		-
SE-POT-01	-	-		-	73,173	73,173		-
SE-POT-02	-	-		-	1,315	1,315		-
SE-PA-05	-	-		-	65,091	65,091		-
VB-DI-31 & VB-DI-32	-	-		-	314,634	314,634		-
	3,397,319	770,957	-	2,626,362	1,687,616	841,305	-	846,311
Reimbursement Contracts:								
Carmel-CF-119B	-	-		-	281	281		-
Kent-MB-Add 4	-	-		-	171,250	1,632		169,618
S-MU-01	210,047	1,286		208,761				-
S-MU-09A	153,095	804		152,291				-
S-MU-09B	174,965	804		174,161				-
S-MU-09C	677,991	804		677,187				-
S-MU-09D	174,965	804		174,161				-
S-MU-09E	240,578	768		239,810				-
S-MU-09F	349,930	862		349,068				-
	1,981,571	6,132	-	1,975,439	171,531	1,913	-	169,618
Closed Contracts:								
Carmel-AM-127	-	-		-	211	211		-
Carmel-CF-123	-	-		-	211	211		-
Carmel-PA-18	-	-		-	258	258		-
Kent-MB-NLC	-	-		-	199	199		-
NS-MU-08/09	171,435	171,435		-	-	-		-
Pat-EB-09-04-a-c	-	-		-	118	118		-
Patterson-PA-10	-	-		-	194	194		-
Southeast-EB-05	-	-		-	158	158		-
Southeast-PA-05	-	-		-	759	759		-
Southeast-PA-06	-	-		-	289	289		-
S-MU-NP3	961	961		-	-	-		-
S-MU-NP4	314	314		-	-	-		-
	172,710	172,710	-	-	2,397	2,397	-	-
Add: payroll taxes allocated to programs	3,067	3,067		-	2,714	2,714		-
Grand Totals by County	\$ 5,554,667	\$ 952,866	\$ -	\$ 4,601,801	\$ 1,864,258	\$ 848,329	\$ -	\$ 1,015,929
Grand Totals Both Counties:								
Westchester	\$ 5,554,667	\$ 952,866		\$ 4,601,801				
Putnam	1,864,258	848,329		1,015,929				
Grand Totals Both Counties	\$ 7,418,925	\$ 1,801,195	\$ -	\$ 5,617,730				

As of December 31, 2012 EOHWC had cash on hand available for SRFs of \$16,795,207

* based on EOHWC's responsible portion; in some instances the Total Contract dollar amount reflects costs advanced through 12/31/2012 ahead of the execution of a formal contract which occurred after 12/31/2012.

Notes:

- 1) the contracts reflected in the above reflect Stormwater Retrofit project activities in various Westchester and Putnam County towns and villages including Carmel, Kent, Patterson, Bedford, Mt. Kisco, Cortlandt, Lewisboro, North Salem, New Castle, Somers, Southeast, Yorktown, Putnam Valley and Village of Brewster.
- 2) contract amounts can change at any time, up or down, due to change orders reflecting revisions to the project.
- 3) a contract initially started can be closed if the project is deemed not viable and/or cost prohibitive.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
East of Hudson Watershed Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of East of Hudson Watershed Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 12, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered East of Hudson Watershed Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of East of Hudson Watershed Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of East of Hudson Watershed Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether East of Hudson Watershed Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


R.S. Abrams & Co., LLP

Islandia, NY
November 13, 2014

November 13, 2014

To the Board of Directors
East of Hudson Watershed Corporation

We have audited the financial statements of East of Hudson Watershed Corporation ("EOHWC") for the year ended December 31, 2013, and have issued our report thereon dated November 13, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 30, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by EOHWC are described in Note 2 to the financial statements. Calendar year 2013 was the second year of operations of EOHWC and the accounting policies adopted and the application of those policies are described in Note 2. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements for the year end December 31, 2013.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Functional Allocation of Expenses – management’s estimate of the functional allocation of expenses is based on employee salaries and the duties they perform which are used to determine which expenses are program related and which expenses are allocated to supporting services.
- Stormwater Retrofit Funds Committed --committed amounts are based on contract amounts and actual expenditures through December 31, 2013 and both amounts are subject to change as a result of changes to projects.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no immaterial uncorrected misstatements, both individually and in the aggregate, to the financial statements.

The attached material misstatement was detected as a result of audit procedures were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 12, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Auditing Findings or Issues

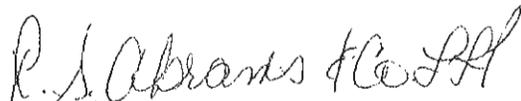
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of EOHWC and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,


R.S. Abrams & Co., LLP

Year End: December 31, 2013
 Adjusting journal entries
 Date: 1/1/2013 To 12/31/2013

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement	
2	12/31/2013	Accounts Payable	2000				998,767.21			
2	12/31/2013	Deferred Revenue-Long-Term	2500			996,767.21				
2	12/31/2013	Program Revenues	4000				996,767.21			
2	12/31/2013	Program - Consulting Fees	7205			51,025.00				
2	12/31/2013	Program - Construction	7210			829,249.53				
2	12/31/2013	Program - Multi Reimb Construction	7221			116,492.68				
		To record Accrued expenses from Search for unrecorded liabilities								
						1,993,534.42	1,993,534.42			

November 13, 2014

To the Board of Directors of
East of Hudson Watershed Corporation

In planning and performing our audit of the financial statements of East of Hudson Watershed Corporation ("EOHWC") as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the EOHWC's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of EOHWC's internal control. Accordingly, we do not express an opinion on the effectiveness of the EOHWC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

CASH DISBURSEMENTS

During our audit we noted one 1 out of 40 instances where there was no payment voucher attached to the claim form as Board policy. We also noted 9 out of 40 instances where Board member signatures were missing on the payment voucher. We also noted that these instances took place in the beginning of the year and there were no findings after July 5, 2013.

LIABILITIES

During our audit we noted several invoices and requisitions totaling \$996,767 that pertained to the December 31, 2013 year end which was being accounted for in the December 31, 2014 year end. We noted these were not accounted for due to the accounts payable module not being set up. EOHWC now has procedures in place to utilize an accounts payable module as well as scan and save all checks and vouchers on their servers. We recommend continuing to use the accounts payable module and continuing to implement the new procedures in place.

STATUS OF PRIOR YEAR RECOMMENDATIONS

CASH DISBURSEMENTS

FINDING: During our prior year audit we noted 14 out of 40 instances whereby a payment voucher was not attached to the claim form as per Board policy. We also noted 22 out of 40 instances where Board member signatures were missing on the payment voucher. In addition, 2 out of 40 instances there was no supporting documentation for the disbursement. We recommended EOHWC implement additional procedures to ensure that documentation necessary to substantiate receipt of goods and services existed and was completed and that payments were made only after the required form(s) necessary to substantiate any claim was completed and only after the required signatures per Board policy were obtained.

STATUS: **In Process.** During our current year audit we noted one 1 out of 40 instances where there was no payment voucher attached to the claim form as Board policy. We also noted 9 out of 40 instances where Board member signatures were missing on the payment voucher. We also noted that these instances took place in the beginning of the year and there were no findings after the middle of July.

EMPLOYMENT CONTRACTS

- FINDING:** During our prior year audit we noted that the two employees of EOHWC did not have completed employment applications and the employment contract for one of the employees which outlined the scope of services, term, compensation, and benefits was not signed. We recommended the Board implement additional procedures to ensure employment applications and contracts exist for all its employees and were signed and dated by the employee and an officer of EOHWC.
- STATUS:** **Implemented.** During our current year audit we noted both employees of EOHWC had completed employment applications on file and the employment contract which outlined the scope of services, term, compensation, and benefits was signed.

PERSONNEL FILES

- FINDING:** During our prior year audit we noted that the Department of Immigration I-9 form required to be completed by each employee was not completed. We recommended that accurate and complete personnel files be maintained by EOHWC to improve internal controls for personnel.
- STATUS:** **Implemented.** During our current year audit we noted that the Department of Immigration I-9 form required to be completed by each employee was completed.

We would like to acknowledge the courtesy and assistance extended to us by personnel of the EOHWC during our audit. Should you have any questions concerning the matters referred to in this letter, we shall be pleased to discuss them with you at your convenience.

This communication is intended solely for the information and use of the Board and management of EOHWC and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



R.S. Abrams & Co., LLP

Islandia, NY

November 13, 2014

A meeting of the Town Board of the Town of Lewisboro, Westchester County, New York, was held on Monday, February 23, 2015, at 7:30 p.m. at the Town House, 11 Main Street, South Salem, New York.

PRESENT: Supervisor - Peter H. Parsons
Councilmen - Peter DeLucia, Frank Kelly, Daniel Welsh
Town Clerk - Janet Donohue
Absent - John Pappalardo

Also attending was the Attorney for the Town Anthony Mole', Facilities Maintenance Manager Joel Smith, Parks and Recreation Superintendent Dana Mayclim, and Confidential Secretary/Benefits Coordinator Mary Hafter.

Mr. Parsons called the meeting to order at 7:31 p.m.

PLEDGE OF ALLEGIANCE

Supervisor Parsons led the Pledge of Allegiance to the flag.

PUBLIC COMMENT PERIOD

There were no public comments.

COMMUNICATIONS

NEW YORK STATE COMPTROLLER'S REPORT - Financial Condition of Town

The Supervisor presented the New York State Comptroller's Report regarding the financial condition of the Town of Lewisboro for the time frame of January 1, 2013 through June 30, 2014. The report is available at the Town Clerk's office and on the town's website at www.lewisborogov.com.

Mr. Parsons asked the Board for permission to use his response which was included in the Comptroller's Report, as a corrective action plan.

On motion by Mr. DeLucia, seconded by Mr. Kelly, the Board voted 4-0 as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does hereby authorize the Supervisor to use his original response which was included in the Comptroller's Report, as a corrective action plan.

REMOVAL OF PCB's FROM THIS HUDSON – Letter from Westchester Putnam Association of Town Supervisors

On motion by Mr. Welsh, seconded by Mr. DeLucia, the Board voted 4-0 as follows:

THE VOTE:	Yes	- DeLucia, Parsons, Welsh	(3)
	No	- None	(0)
	Absent	- Pappalardo	(1)
	Abstain	- Kelly	(1)

WHEREAS, the Hudson River is an American Heritage River, and the Valley a National Heritage Area, and the health and beauty of the Hudson River is critical to the economic vitality of the communities surrounding it, as well as the state and the country at large; and

WHEREAS, nearly 200 miles of the Hudson River – from Hudson Falls to New York City – are a federal Superfund site because the General Electric Corporation (GE) discharged large quantities of polychlorinated biphenyls (PCBs) from two of its manufacturing plants for thirty years, between 1947 and 1977; and

WHEREAS, the Town of Lewisboro has been asked by the Westchester Putnam Association of Town Supervisors and other organizations to support their efforts to cause the PCB's to be removed from the Hudson River to further restore the Hudson River to its former ecological health, and spur the revival of long dormant economic opportunities for both the upper and lower Hudson communities including the municipalities of Westchester and Putnam Counties;

NOW THEREFORE BE IT RESOLVED, that the Town of Lewisboro hereby urges GE to address its outstanding legal responsibilities for PCB contamination of the Hudson River by entering into a mutually-beneficial agreement with EPA, the Trustees, and/or any other relevant parties to ensure the following will occur before the existing dredging and dewatering infrastructure is dismantled: 1) the dredging of all areas of PCB-contaminated sediments in River Sections 2 and 3 that would require cleanup under the applicable-standards in River Section 1, including, at minimum, the 136 acres identified by the federal Trustees; 2) any additional necessary removal of soils and sediments in PCB-contaminated "hot spots" in and around the Upper Hudson River, including cleanup of the Champlain Canal to ensure full use of the canal by deep-draft shipping vessels; and 3) a thorough analysis and robust cleanup of other areas in and around the Hudson River, including the floodplains and the Old Champlain Canal, in order to restore the River to its full health and value as a natural and economic resource.

And further, BE IT RESOLVED that a copy of this resolution will be sent to:

- Jeffrey Immelt, Chairman and CEO, General Electric Corporation
- New York State Governor Andrew Cuomo
- NYS Office of the Attorney General
- NYS Department of Environmental Conservation

- NYS Canal Corporation
- National Oceanic and Atmospheric Agency (NOAA)
- US Department of Interior Fish and Wildlife Service
- US Environmental Protection Agency – Region 2 and Hudson River Field Office
- Hudson River Congressional Delegation

CONSENT AGENDA

MINUTES - Approved

On motion by Mr. Parsons, seconded by Mr. Kelly, the Board voted 4-0 to approve Town Board meeting minutes of February 10, 2015.

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

PUBLIC HEARING – Public Hearing on Gold Star Parents Real Estate Tax (7:34 – 7:37 pm)

Mr. Parsons called the public hearing to order at 7:34 p.m. There was no objection to the time or form of the public notice (copy attached). Mr. Parsons called for comments from the public.

One gentleman in the attendance asked what the actual impact on the town taxes would be for this amendment. Mr. Parsons stated that he felt it would be minimal. The amount would be redistributed. The Board has been told of one Gold Star Parent in town. Mr. Kelly stated that he thought it was 15% of the assessed value for combat veterans and 10% for those that are disabled. This reduction for Veteran’s town taxes has been on our books for quite a while however, the Gold Parent is the new portion of the town taxes.

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Public Hearing on Gold Star Parents Real Estate Tax is now closed.

On motion by Mr. Parsons, seconded by Mr. Kelly, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board of the Town of Lewisboro, did, at a public hearing on February 23, 2015 at 7:30 p.m. at the Lewisboro Town House, 11 Main Street, South Salem, New York, voted to amend Section 199-10 of Chapter 199, taxation, to extend to Gold Star Parents the tax exemptions provided therein, in accordance with Section 458-a (7) of the Real Property Tax Law of the State of New York.

LOCAL LAW NUMBER 1-2015 OF THE TOWN OF LEWISBORO

SECTION 1 -- TITLE

This Local Law shall be known as 2015 Amendments to Section 199-10 of Chapter 199: Taxation.

SECTION 2 -- ADOPTION

Now therefore be it enacted by the Town Board of the Town of Lewisboro Local Law 1-2015 that this law shall take effect immediately upon its passage:

SECTION 3 – TAXATION

Section 199-10 of Chapter 199, Taxation, is hereby amended to extend to Gold Star Parents the tax exemptions provided therein, in accordance with Section 458-a(7) of the Real Property Tax Law of the State of New York:

Amend §199-10. Increase in exemption.

- A. In accordance with the authorization of Subparagraph (ii) of Paragraph (d) of Subdivision 2 of § 458-a of the Real Property Tax Law, the maximum allowable exemption of Paragraphs (a), (b) and (c) of Subdivision 2 of § 458-a of such law is hereby increased to \$54,000.00, \$36,000.00 and \$180,000.00, respectively.
- B. In accordance with the authorization of Paragraph (b) of Subdivision 7 of § 458-a of the Real Property Tax Law, Gold Star Parent as defined in Paragraph (a) of Subdivision 7 of § 458-a is included within the definition of “qualified owner” as provided in Paragraph (c) of subdivision 1 of § 458-a, and the property owned by a Gold Star Parent is included within the definition of “qualifying residential real property” as provided in Paragraph (d) of subdivision 1 of § 458-a, provided that such property shall be the primary residence of the Gold Star parent. The exemptions provided in subsection A above shall apply to Gold

SECTION 4 – HOME RULE

Nothing in this Local Law is intended, or shall be construed (a) to limit the home rule authority of the Town under State Law to limit the Town’s discretion in setting fees and charges in connection with any applications requiring Town approval.

SECTION 5 -- SEVERABILITY

If any part or provision of this Local Law or the application thereof to any person or circumstance be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part of provision or application directly involved in the controversy in which judgment shall have been rendered and shall not affect or impair the validity of the remainder of this Local Law or the application thereof to other persons or circumstances, and the Town of Lewisboro hereby declares that it would have passed this Local Law or the remainder thereof had such invalid application or invalid provision been apparent.

SECTION 6 – EFFECTIVE DATE

This Local Law shall take effect immediately upon filing in the office of the Secretary of State in accordance with Section 27 of the Municipal Home Rule Law.

WATERSHED GRANT - Old Field Preserve

Mr. Parsons stated that the town received a letter from the Watershed Agricultural Council stating that the town has been approved for \$1,402 for 5.5 acres of invasive plant control for tree/shrubs and for weevils to attack the mile a minute creeper at the Old Field Preserve and it will also be used on the south side of Route 35, next to the Town Park.

NORTHEAST WESTCHESTER SPECIAL RECREATION – Authorize Agreement

On motion by Mr. DeLucia, seconded by Mr. Kelly, the Board voted 4-0 as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does hereby authorize the Supervisor to sign the 2015 agreement with Northeast Westchester Special Recreation as submitted and reviewed by counsel.

REFUSE LICENSE – Renewal Authorized for City Carting, County Waste and R&S Waste Services

On motion by Mr. Parsons, seconded by Mr. Kelly, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Clerk be and hereby is authorized to issue renewal licenses for the collection of residential waste to County Waste, City Carting/aka Somers Sanitation/aka Bria and R & S Waste Services for a period of one year, expiring on March 3, 2016.

COMMENDATION – Police Officer David Alfano

The Town Board commended and thanked Officer Alfano for saving a resident’s life this past week. A resident had overdosed on heroin and had no pulse. Officer Alfano was the first to arrive on the scene. He administered Narcan, an overdose reversal drug that was adopted by the Lewisboro Volunteer Ambulance Corps (LVAC) and the local police department last year. Officer Alfano has trained to administer this drug and was able to keep his proper state of mind under duress.

Mr. DeLucia also wanted to thank Dr. Ambler, Commissioner of Health, who signed the order for this prescription medication that actually counteracts the negative effect of the opiates.

POLICE BENEVOLENT ASSOCIATION MEMORANDUM OF AGREEMENT – Ratification of PB MOA

Mr. DeLucia wanted to commend Police Officer Alfano and Police Officer Fratarolla for stepping into the positions of the police union. Mr. DeLucia said that it was a pleasure to work with them.

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does accept the ratification of the Police Benevolent Association Memorandum of Agreement.

LAUREL RIDGE - Partial Release of Performance Bond

The Board acknowledged the adoption of a resolution by the Planning Board granting the partial release of a performance bond for Laurel Ridge, a/k/a Oakridge Gardens.

On motion by Mr. DeLucia, seconded by Mr. Kelly, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does acknowledge the adoption of the resolution by the Planning Board granting partial release of the performance bond for Laurel Ridge a/k/a/ Oakridge Gardens as specified in documents reviewed by counsel.

ESTATE MOTORS – Release of Deposit of Funds in Lieu of Bond

On motion by Mr. Parsons, seconded by Mr. Kelly, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLVED, that the Town Board, on the recommendation of the Planning Board, release the deposit of funds for Estate Motors, in the amount of \$29,375.00, due to the project being abandoned.

CLAIMS – Authorized for Payment

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted 4-0 to authorize payment of the Town’s bills in the amount of \$321,073.64.

POLLING OF BOARD

METRO NORTH - Update on Report

Mr. Welsh sent out a report re Goldens Bridge to the Metro North Director, Mr. Maddix. He hopes that the door will open by sending out this report and hopes to get a meeting with him.

SUSTAINABLE WESTCHESTER – Transportation and Land Use Meeting

Mr. Welsh stated that there will be a Transportation and Land Use meeting next Saturday, February 28, 2015.

HIGHWAY – Road Conditions

Mr. DeLucia complemented the Highway Department on what a terrific job they have done with snow removal this winter. He also brought up the horrible condition of the local roads due to the nightmare winter that we have had. Mr. DeLucia would like to invite our Highway Superintendent, Peter Ripperger, to come and address the Board regarding a plan. The Board also

suggested getting our Cornell intern out here again and possibly reevaluate the priority list. Mr. Parsons stated that Reservoir Road has received many complaints. There are several areas in town where roads are buckling and pot holes are plentiful. Orange cones will be used when necessary and as soon as time permits, pot holes will be filled.

PARKS AND RECREATION – Skating Rink

Mr. DeLucia stated that the pond was finally frozen enough for ice skating. The lights are on until 10 p.m. so residents should take advantage of this great opportunity.

PARKS AND RECREATION – Rugby Clinic

Mr. Kelly announced that there will be another rugby clinic this summer in July. More information to follow.

PARKS AND RECREATION – Trail Blazer Award

Mr. Kelly announced that this fall there will be a new Trail Blazer Award. If anyone in town hikes all of the trails in town, they would be eligible for the Trail Blazer Award. More information to follow.

PARKS AND RECREATION – Brownell Preserve

Mr. Welsh asked about a sign for Brownell Preserve. Ms. Mayclim stated that all the trails are littered with downed trees from “Sandy”. She also stated that they are taking one step at a time and one trail at a time. She said that they will have a sign and that this is budgeted for in their Master Plan.

Mr. Welsh also asked about the tapping of the maple trees. They are not tapping now because the syrup is frozen. There are approximately 800-1,000 trees being tapped. Mr. Welsh would also like to see if the trails could continue through to the Nash Road area. Mr. Parsons also wants to utilize this as an educational source for children.

ANTI-DRUG PROJECT – Multi Faceted Approach

Mr. Kelly feels that we need to take a multifaceted approach to the drug problem. Mr. Kelly has spoken with the State Senator, the town prosecutor and the town justices. They would like to put together some type of program and partner up with the school. They are looking to obtain some grant money for this as well. Mr. Kelly will keep everyone posted.

MEETINGS – Date Set

There will be a Town Board meeting on Monday, March 9, 2015 at 7:30 p.m. at the Town House, 11 Main Street, South Salem, NY.

EXECUTIVE SESSION – To Discuss Personnel and Legal Matters

On motion by Mr. Parsons, seconded by Mr. Kelly, the Board voted 4-0 to go into executive session at 8:19 p.m. to discuss personnel and legal matters

PARK AND RECREATION ADVISORY COMMITTEE – Appointment of Member

On motion by Mr. DeLucia, seconded by Mr. Kelly, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does appoint Bill Pink to the Park and Recreation Advisory Committee for a two-year term ending December 31, 2016.

ANTENNA ADVISORY COMMITTEE – Appointment of Member

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted as follows:

THE VOTE:	Yes	- DeLucia, Kelly, Parsons, Welsh	(4)
	No	- None	(0)
	Absent	- Pappalardo	(1)

RESOLUTION

RESOLVED, that the Town Board does appoint Carl S. Grossman to the Antenna Advisory Committee for a five-year term ending December 31, 2019.

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted 4-0 to come out of executive session at 9:55 p.m.

ADJOURNMENT

On motion by Mr. Parsons, seconded by Mr. DeLucia, the Board voted 4-0 to adjourn at 10:00 p.m.

Janet L. Donohue
Town Clerk

OFFICE OF THE NEW YORK STATE COMPTROLLER



DIVISION OF LOCAL GOVERNMENT
& SCHOOL ACCOUNTABILITY

Town of Lewisboro

Financial Condition

Report of Examination

Period Covered:

January 1, 2013 — June 30, 2014

2014M-309



Thomas P. DiNapoli

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State of New York Office of the State Comptroller

Division of Local Government and School Accountability

February 2015

Dear Town Officials:

A top priority of the New York State Office of the State Comptroller is to help local government officials manage government resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support government operations. The State Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and Town Board governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard local government assets.

Following is a report of our audit of the Town of Lewisboro, entitled Financial Condition. This audit was conducted pursuant to Article V, Section 1 of the New York State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

This audit's results and recommendations are resources for local government officials to use in effectively managing operations and in meeting the expectations of their constituents. If you have questions about this report, please feel free to contact the local regional office for your county, as listed at the end of this report.

Respectfully submitted,

*Office of the State Comptroller
Division of Local Government
and School Accountability*

Introduction

Background

The Town of Lewisboro (Town) is located in Westchester County and has approximately 12,400 residents. The Town Board (Board) is the legislative body responsible for establishing policies, and the Town Supervisor (Supervisor) is responsible for administering the Town's daily operations. The Supervisor is the Town's chief fiscal officer and is responsible for establishing internal controls over financial operations and monitoring the budget. The Town Comptroller is responsible for maintaining the Town's accounting records.

As of January 2014, the Town had 36 fulltime employees. Budgeted appropriations for the 2014 fiscal year were approximately \$10.4 million (general fund \$7.6 million and highway \$2.8 million), funded primarily with real property taxes and State aid. In addition, the Town operates one water district and two sewer districts.

Objective

The objective of our audit was to review the Town's financial condition. Our audit addressed the following related question:

- Did Town officials ensure that the Town was fiscally stable?

Scope and Methodology

We examined the Town's financial condition for the period January 1, 2013 through June 30, 2014. We extended our scope back to 2009 for analytical purposes.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit is included in Appendix C of this report.

Comments of Local Officials and Corrective Action

The results of our audit and recommendations have been discussed with Town officials, and their comments, which appear in Appendix A, have been considered in preparing this report. Town officials disagreed with certain aspects of our findings and recommendations in our report. Appendix B includes our comments on the issues raised in the Town's response letter.

The Town Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and forwarded to our office within 90 days, pursuant to Section 35 of the General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit*

Report, which you received with the draft audit report. We encourage the Town Board to make this plan available for public review in the Town Clerk's office.

Financial Condition

Financial condition may be defined as a local government's ability to balance recurring expenditure needs with recurring revenue sources, while providing desired services on a continuing basis. A town in good financial condition generally maintains adequate service levels during fiscal downturns and develops resources to meet future needs. Conversely, a town in fiscal stress may struggle to balance its budget, can suffer through disruptive service level declines, may have limited resources to finance future needs and often has minimal cash available to pay current liabilities as they become due.

The Town's general, sewer and water funds each had a deficit fund balance at some point during the period from 2009 through 2013. The general, water and sewer funds all had accumulated fund deficits for fiscal years 2009, 2010 and 2011. While Town officials were able to improve the fiscal stability of the general fund during this period, which reported a positive accumulated fund balance in 2012 and 2013, the sewer and water funds still had accumulated fund deficits in 2012. The sewer and water funds had accumulated deficits from 2009 through 2012. The Town reported marginal positive accumulated fund balances of \$23,442 and \$8,967, respectively, for 2013. While Town officials were able to eliminate accumulated fund deficits in these funds by the end of 2013, officials have not developed a multiyear financial plan to assist them in monitoring operations and guarding against future operating deficits.

Fund Balance

A key measure of the Town's financial condition is its level of fund balance, which is the difference between revenues and expenditures accumulated over time. When maintained at reasonable levels, fund balance provides cash flow and can be used to help finance the next fiscal year's operations. The restricted portion of fund balance represents the amount that the Town may use only for specific purposes. The unrestricted portion of fund balance is the amount that may be appropriated to fund programs in the next year's budget. Assigned appropriated fund balance is an amount that was designated to help finance the current year's budget while unassigned fund balance is available for cash flow purposes and to help finance future operations.

To assist in managing financial operations and ensuring the orderly operation of government, the Town should maintain a reasonable level of unrestricted fund balance as a financial cushion for unanticipated expenditures or revenue shortfalls or for cash flow purposes. Maintaining a reasonable level of unrestricted fund balance is a key element of long-term financial planning.

General Fund – In 2009, the Town’s actual revenues were \$6,075,770, which were \$1.2 million less than the \$7.3 million budgeted, a shortfall of approximately 17 percent. Actual expenditures totaled \$7,950,474, which resulted in an operating deficit of \$1,874,695. This caused a general fund deficit of \$655,312 at year end. It took two years of operating surpluses to return the general fund to a positive accumulated fund balance.

The general fund’s financial condition continued to improve in 2013 with an operating surplus of \$257,362. This resulted in two years of positive unrestricted fund balances, 2012 and 2013, and growth in the accumulated fund balance to \$1,048,096.

Although Town officials have improved their budgeting practices over the four years 2010 to 2013, they did not have a multiyear financial plan in place to ensure that this new growth in the general fund will be maintained to keep the financial condition of the Town stable.

Figure 1: General Fund Operating Results and Fund Balance

	2009	2010	2011	2012	2013
Beginning Fund Balance	\$793,573	(\$655,312)	(\$338,100)	\$32,958	\$790,734
Prior Period Adjustment	\$425,810	\$0	\$0	\$428,709	\$0
Revenues	\$6,075,779	\$7,310,469	\$7,231,628	\$7,435,918	\$7,827,208
Expenditures	\$7,950,474	\$6,993,257	\$6,860,570	\$7,106,851	\$7,569,846
Operating Surplus/(Deficit)	(\$1,874,695)	\$317,212	\$371,058	\$329,067	\$257,362
Year-End Accumulated Fund Balance	(\$655,312)	(\$338,100)	\$32,958	\$790,734	\$1,048,096
Less Restricted Fund Balance	\$206,837	\$328,082	\$452,474	\$350,496	\$713,816
Unrestricted Fund Balance/(Deficit)	(\$862,149)	(\$666,182)	(\$419,516)	\$440,238	\$334,280

Sewer Fund – The sewer fund relies on revenue from real property taxes (approximately 90 percent) and planning and development fees to finance operations for the Town’s two sewer districts. These revenue sources have not provided sufficient revenue to finance operations. The Town increased taxes by about 86 percent in 2010. According to Town officials, this was used to revitalize the sewer districts that were left in disrepair from when the districts were privately operated.

During the five-year period, the fund incurred operating deficits in two years (2009 and 2011) and operating surpluses for the other three years (2010, 2012 and 2013). The 2013 operating surplus was attributed to a planning permit requirement for a development project in one sewer district for \$200,000. Without this planning permit revenue, the sewer fund would have experienced an operating deficit

for 2013 and the fund would have had five consecutive years of total fund deficits.

Town officials expect that the planning permit requirement will result in revenue of \$1 million over several years. However, there are no specific dates when these phases are scheduled to start. If this revenue is realized, it will provide stability to the sewer fund in the long-term. However, if this revenue is not realized, the sewer fund will likely continue to have a fund deficit.

Figure 2: Sewer Fund Operating Results and Fund Balance

	2009	2010	2011	2012	2013
Beginning Fund Balance	\$1,120	(\$401,853)	(\$250,387)	(\$269,085)	(\$116,533)
Prior Period Adjustment	(\$114,998)	\$0	\$0	\$124,926	\$0
Revenues	\$538,161	\$719,879	\$575,221	\$776,536	\$906,591
Expenditures	\$826,136	\$568,413	\$593,919	\$748,910	\$766,616
Operating Surplus/(Deficit)	(\$287,975)	\$151,466	(\$18,698)	\$27,626	\$139,975
Year-End Accumulated Fund Balance	(\$401,853)	(\$250,387)	(\$269,085)	(\$116,533)	\$23,442
Less Restricted Fund Balance	\$0	\$0	\$0	\$0	\$23,442
Unrestricted Fund Balance/(Deficit)	(\$401,853)	(\$250,387)	(\$269,085)	(\$116,533)	\$0

Water Fund – The water fund relies on revenues from user charges to finance its operations. The water fund had accumulated fund deficits from 2009 through 2012. Although 2013 showed a positive accumulated fund balance of \$8,967 due to decreased expenditures, this was marginal. Water fund revenues have remained relatively constant over the last five years. Town officials have not developed a long-term plan to address the accumulated fund deficit.

Figure 3: Water Fund Operating Results and Fund Balance

	2009	2010	2011	2012	2013
Beginning Fund Balance	(\$229,995)	(\$42,895)	(\$35,392)	(\$92,812)	(\$37,646)
Prior Period Adjustment	\$189,006	\$0	\$0	\$33,894	\$0
Revenues	\$186,782	\$181,731	\$139,880	\$183,297	\$175,862
Expenditures	\$188,688	\$174,228	\$197,300	\$162,025	\$129,249
Operating Surplus/(Deficit)	(\$1,906)	\$7,503	(\$57,420)	\$21,272	\$46,613
Year-End Accumulated Fund Balance	(\$42,895)	(\$35,392)	(\$92,812)	(\$37,646)	\$8,967
Less Restricted Fund Balance	\$0	\$0	\$0	\$0	\$8,967
Unrestricted Fund Balance/(Deficit)	(\$42,895)	(\$35,392)	(\$92,812)	(\$37,646)	\$0

Multiyear Financial Planning

An important Board responsibility is to plan for the future by setting adequate long-term priorities and goals. To address this responsibility, it is important for Town officials to develop comprehensive multiyear financial and capital plans to estimate the future costs of ongoing services and future capital needs. Effective multiyear plans project operating and capital needs and financing sources over a three- to five-year period and help Town officials identify revenue and expenditure trends, set long-term priorities and goals and avoid large fluctuations in tax rates. Multiyear plans also allow Town officials to assess the effect and merits of alternative approaches to address financial issues. Long-term financial plans work in conjunction with Board-adopted policies and procedures to provide necessary guidance to employees on the financial priorities and goals set by the Board. The Board should monitor and update long-term financial plans on an ongoing basis to ensure that its decisions are guided by the most accurate information available.

Town officials have not adopted a multiyear financial plan that would better equip them in making financial decisions. Although officials have improved their budgeting practices over the four years, they did not have a multiyear financial plan in place to ensure that this new growth in the general fund is maintained to keep the financial condition of the Town stable.

Recommendations

Town officials should:

1. Develop a realistic plan to accumulate and maintain a reasonable amount of fund balance in all Town funds.
2. Develop a comprehensive multiyear financial plan to establish long-term objectives for funding long-term needs.

APPENDIX A
RESPONSE FROM TOWN OFFICIALS

The town officials' response to this audit can be found on the following pages.

TOWN OF LEWISBORO
OFFICE OF THE SUPERVISOR

(914) 763-3151
FAX (914) 763-6496
email:supervisor@lewisborogov.com
www.lewisborogov.com



TOWN OF LEWISBORO
11 MAIN STREET
P.O. BOX 500
SOUTH SALEM, NEW YORK 10590

PETER H. PARSONS, SUPERVISOR

February 3, 2015

Chief Examiner Tenneh Blamah
New York State
Office of the State Comptroller
Newburgh Regional Office
33 Airport Center Drive, Suite 103
New Windsor, NY 12553

Re: Report of Examination of the Financial Condition of the Town of Lewisboro

Dear Chief Examiner Blamah:

Attached is our response to your preliminary draft findings.

Yours sincerely,

Peter Parsons
Supervisor

Attachment

**RESPONSE TO NEW YORK STATE COMPTROLLER'S REPORT ON THE TOWN OF
LEWISBORO'S FINANCIAL CONDITION BASED ON THE PERIOD JANUARY 1, 2013 TO
JUNE 30, 2014**

All managers know that in most cases we can choose to view the glass as being half empty or as being half full. Your auditors chose the former. The Town Board chooses the latter using the same figures quoted in your report:

1. **The period from 2010 to 2013 is one in which Lewisboro has exercised remarkable financial discipline resulting in General Fund Operating Surpluses in each year and an improvement in the Unrestricted Fund Balance from a deficit of \$862,149 at the close of 2009 to a positive balance of \$334,280 at the end of 2013. This swing of \$1,196,429 is in excess of 10% of the Town's annual expenditures.** During this period the Lewisboro also brought all its municipal offices into compliance with the Americans with Disabilities Act and adopted a 15 year paving plan for Town roads. Year I of this plan was implemented in 2014 and budgetary provision has been made for Year II in 2015. Since road repaving is the dominant item in Lewisboro's capital budget, this represents a critical building block in a multi-year plan. In addition the Town Board remains committed to continuing to make steady progress in improving its fund balances. Finally the completion of the current round of negotiations with the Town's Unions will provide the basis of planning for the operating budget. This will put Lewisboro in a situation where putting a multi-year plan on paper will be little more than a formality. **To characterize these achievements by censuring Town Officials for not ensuring "the Town is fiscally stable" seems like a gratuitous attack on an exemplary record.**

See
Note 1
Page 12

2. The criticism of the Water and Sewer Funds seems to come down to a truism about one sewer district. If revenue from the developer "is realized, then it will provide stability to the sewer fund in the long term. However, if this revenue is not realized, the sewer fund will likely continue to have a fund deficit." The implication is that the Town should raise the taxes on the residents of the district just in case the developer fails to complete future phases of the development. This is a group of residents who already suffered an 86% increase in their sewer taxes in 2010. The Board's judgment is that this would amount to gouging the taxpayer when there is little or no reason to believe that the rest of the development will not be completed.

See
Note 2
Page 12

To summarize:

- The heavy lifting on a multi-year plan has either been done or is in the works.
- The underlying refrain in the report is that we should raise Lewisboro's taxes faster. We believe in a slow and steady approach doing our best to remain within the Tax

Cap. The Town already has a long term record of sharing services with its neighbors (phosphorous reduction in storm water, emergency medical services, drug enforcement, and vacuum trucks) and the track record shows the achievement of significant efficiencies.

APPENDIX B

OSC COMMENTS ON THE TOWN'S RESPONSE

Note 1

The draft report was amended to show improvement in the general fund fiscal stability.

Note 2

Town officials should use multiyear planning as a tool to help them address the deficits in the water and sewer funds. Our report does not imply that Town officials should raise taxes on residents. The report points out the fund deficits in the water and sewer funds and recommends that Town officials address those deficits.

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

Our overall goal was to assess the Town's financial condition and identify areas where the Town could realize efficiencies and protect assets from loss or misuse. To accomplish this, our initial assessment included a comprehensive review of the Town's financial condition.

To achieve our objective and obtain valid audit evidence, we performed the following audit procedures:

- We reviewed the Town's policies and procedures for developing and reporting information relevant to financial and budgeting activities. This included gaining information on Town officials' fiscal responsibilities.
- We interviewed Town officials such as the Supervisor and the Town Comptroller to determine what processes were in place and gain an understanding of the Town's financial condition and budget.
- We reviewed and analyzed the Town's financial records and reports for all funds, including balance sheets, budget reports and statements of revenues and expenditures.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

APPENDIX D

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APPENDIX E
OFFICE OF THE STATE COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY

Andrew A. SanFilippo, Executive Deputy Comptroller
Gabriel F. Deyo, Deputy Comptroller
Nathalie N. Carey, Assistant Comptroller

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TOWN OF LEWISBORO

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN, that the Town Board of the Town of Lewisboro, will hold a public hearing on February 23, 2015, at 7:30 p.m. or soon thereafter as time permits, at the Lewisboro Town House, 11 Main Street, South Salem, New York, for the purpose of hearing the public with regard to the adoption of Local Law 1-2015, amending Section 199-10 of Chapter 199, taxation, to extend to Gold Star Parents the tax exemptions provided therein, in accordance with Section 458-a (7) of the Real Property Tax Law of the State of New York. Lewisboro is committed to equal access for all. Anyone needing accommodations to attend or participate in this meeting is encouraged to call the Town Clerk's office at 914-763-3511 in advance. Notices can also be viewed on the town's website at www.lewisborogov.com.

BY ORDER OF THE TOWN BOARD
TOWN OF LEWISBORO
JANET L. DONOHUE
TOWN CLERK

Dated at South Salem, New York
this 11th day of February, 2015

Monthly Report February 2015

Quantity	Bld Permit	Permit	CC/CO	RM	EQ
10	Res Minor Work	\$ 1,670.00	\$ 670.00	\$20.00	\$ 200.00
1	Res ADD	120.00	20.00	2.00	0.00
1	Res Acc Str	110.00	20.00	2.00	0.00
8	Res Alt	2310.00	1510.00	16.00	0.00
0	Res New	0.00	0.00	0.00	0.00
0	Res Renew	1020.00	0.00	0.00	0.00
1	Comm Alt/Add	220.00	120.00	2.00	0.00
2	Comm Minor	400.00	200.00	4.00	100.00
5	ZBA/ACARC	1125.00	0.00	10.00	0.00
0	Other Permits	0.00	0.00	0.00	0.00
1	220-76C	0.00	100.00	2.00	0.00
5	Wetlands/EQ	900.00	900.00	0.00	50.00
5	Civil Penalty	530.00	0.00	0.00	0.00
146	Copies	36.50	0.00	0.00	0.00
0	Misc	0.00	0.00	0.00	0.00

Total	\$ 8,441.50	\$ 3,540.00	\$58.00	\$ 350.00
--------------	--------------------	--------------------	----------------	------------------

Total Receipts :	\$ 12,389.50
Total Deposits:	\$ 12,389.50

Bldg Insp: T. J. Sant
 Date: 2/27/15

Total: \$ 12,389.50

Total Deposit: 12389.5

Difference

<u>Res. MW</u>	<u>BP</u>	<u>CC</u>	<u>RM</u>	<u>EQ</u>	<u>Residential Add</u>	<u>BP</u>	<u>CO</u>	<u>RM</u>	<u>EQ</u>	
Copeland	190	90	2	0	Winkler		120	20	2	0
Baicco	220	120	2	0						
Petronis	180	80	2	50						
Levine	190	90	2	0						
Moran	140	40	2	50						
Cafuzzi	130	30	2	50						
Gramas	130	30	2	0						
LaLone	120	20	2	0						
Durhan	190	90	2	0						
Erb	180	80	2	50						
Column Total							120	20	2	0
Subtotal							142			
Comm. MW	BP		CO	RM	EQ					
Four Winds			180	80	2					50
Community Living			220	120	2					50
Column Total							400	200	4	100
Subtotal							704			
Res. Alt	BP		CO	RM	EQ					
Byer			200	100	2					0
Kern			140	40	2					0
Lando/Fishzon			270	170	2					0
Goldstein			550	450	2					0
Cohen			300	200	2					0
Autorino			130	30	2					0
Richman			200	100	2					0
Hausmann			520	420	2					0
Column Total							2310	1510	16	0
Subtotal							3836			
Res. New	BP		CO	RM	EQ					
Column Total							0	0	0	0
Subtotal							0			
220-76C	BP		CO	RM	EQ					
Canora			100	2						0

Column Total	0	100	2	0
Subtotal	102			
Res Renewal	BP	CO	RM	EQ
LaLone		1020	0	0
Column Total		1020	0	0
Subtotal	1020			
Wetland	W/P	S/W	EQ	
Fabbri		0	0	50
Manfrida		0	450	0
Capobianco		750	0	0
Lake Katonah Clut		150	0	0
Dardani		0	450	0
Column Total		900	900	50
Subtotal	\$ 2,560.00			

Column Total	1670	670	20	200
Subtotal	\$ 2,560.00			

Civil Penalty	CP			
Kern		80		
Gramas		60		
LaLone		40		
Richman		100		
Winkler		250		
Subtotal	530			

Subtotal	1850			
----------	------	--	--	--

Comm. Add/Alt	BP	CO/CC	RM	EQ
Visnor/Vista Mkt		220	120	2
Column Total		220	120	2
Subtotal	342			

Other Permits	BP	CC	RM	EQ
Column Total		0	0	0
Subtotal	0			

ZBA / ACARC	Permit Application	RM	
Roberts		25	2
Owen/Frank		250	2
Bailey		500	2
Sommerville		250	2

Misc	BP	CO/CC	RM	EQ
-------------	-----------	--------------	-----------	-----------

Sommerville		100		2
-------------	--	-----	--	---

Column Total	0	0	0	0	Column Total	1125	0	10	0
Subtotal	0				Subtotal	1135			
Cash					Res. A/S	BP	CO	RM	EQ
Copies	36.5				Simonsen/Reale		110	20	2
					Column Total		110	20	2
Subtotal	36.5				Subtotal		132		

**PLANNING BOARD
FINANCIAL REPORT
02/28/15**

Current Month Receipts:

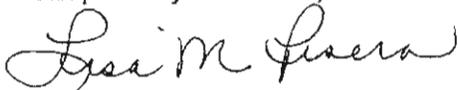
General Fund:

	Subdivision Fees:	
0	Preliminary	-
0	Final	-
0	Tax Map	-
	Application Fees:	
1	Sketch Plan	205.00
0	Site Plan	-
0	Waiver of Site Plan	-
	Special Use Permit	
1	Wetland Permit	255.00
1	Stormwater Permit	-
0	Engineering and Inspection	-
0	Civil Penalty	-
4	Photocopies	1.00
0	Public Hearing Sign Deposit	-
0	Reimbursement for Escrow Paid	-
	Total General Fund Receipts	<u>461.00</u>

Planning Board Escrow:

	Bacio	1,500.00
	Oakridge Gardens	4,000.00
	McCaffrey Family Trust	1,000.00
	Verizon Wireless/Antenna Work	2,000.00
	Silvermine Subdivision	2,000.00
	#REF!	1,000.00
0		-
0		-
0		-
	Total PB Escrow Receipts	<u>11,500.00</u>
0	SEQR Escrow Receipts	<u>-</u>
0	Parks & Rec Receipts	<u>-</u>
	Total Receipts	11,961.00

Respectfully Submitted,



**Lisa M. Pisera
Planning Board Secretary**



For Immediate Release: 02/26/15

Audrey Zibelman, Chair

Contact:

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

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15020/14-M-0564

**PSC OK's State's First Community Choice Aggregation Pilot Program
— Energy Demonstration Project in Westchester County Designed to Help Customers
Lower Energy Bills —**

ALBANY —The New York State Public Service Commission (Commission) today approved implementation of the very first community choice aggregation (CCA) pilot program in New York, a cutting-edge initiative that allows municipalities to put out for bid the total amount of natural gas or electricity being purchased by local residents or small businesses effectively giving them more control to lower their overall energy costs. The Commission's approval of this pilot program builds upon Governor Andrew M. Cuomo's strategic Reforming the Energy Vision (REV) plan to spur clean energy innovation and investment, improve customer choice and value, and protect the environment.

"The innovative community aggregation pilot program approved today furthers the Governor's strategic REV plan by supporting communities that desire to find ways to negotiate with third-party energy providers to meet their community's energy supply needs and to get the best price possible," said PSC Chair Audrey Zibelman.

On December 23, 2014, Sustainable Westchester, Inc., a not-for-profit organization comprised of several municipalities in Westchester County, sought approval of a demonstration CCA program in Westchester County. CCA involves local governments procuring energy supply from energy service companies (ESCOs) for their residents.

The potential benefits of CCA programs include price stability for a fixed contract term, the potential for lower prices and more favorable terms, and the ability to design a program that reflects local preferences and needs, including a preference for cleaner power sources. CCA programs also have the potential to enable ESCOs to secure a large number of customers at relatively low marketing costs.

The Westchester County pilot project is intended to include residential and small non-residential customers and to permit aggregation of both electric and natural gas purchases. Sustainable Westchester has been working toward achieving CCA for its members for over two years, and several of its member municipalities have adopted resolutions in support of CCA.

As municipalities agree to participate in the CCA pilot and conduct public outreach campaigns to inform their residents, they will be permitted to request aggregated customer information by fuel type and service classification from the distribution utilities on a rolling basis. As part of the pilot program, the Sustainable Westchester will issue a request for proposals to suppliers to provide energy to participants, and then award a contract. Sustainable Westchester, or the municipality, will then request individual customer data from the utility. The Sustainable Westchester or the municipality and

the selected supplier will then notify bundled customers of the contract terms and their opportunity to opt-out of the program within 20 days.

The approval of the Westchester County project is directly related to the Commission's ongoing proceeding to examine implementation of CCA in New York. The Sustainable Westchester pilot is expected to provide valuable experience on CCA design and outcomes that, in addition to the many comments in that proceeding, will assist the Commission in making a determination on statewide implementation of CCA.

Under the Sustainable Westchester program, Consolidated Edison Company of New York, Inc. and New York State Electric & Gas Corporation will provide to Sustainable Westchester aggregate and customer-specific data (including usage data, capacity tag obligations, account numbers, and service addresses) of all residential and small non-residential customers not currently enrolled with an ESCO. Sustainable Westchester and its municipal members will be required to protect customer information. In addition, Sustainable Westchester is required to file a report annually with the Commission on the status of its demonstration program.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 14-M-0564 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.

LOCAL LAW NUMBER __-2015 OF THE TOWN OF LEWISBORO

SECTION 1: TITLE

This Local Law shall be known as 2015 Enactment of Section 220-23(A)(18), and Section 220-43.3 of Chapter 220: Zoning.

SECTION 2: ADOPTION

Now therefore be it enacted by the Town Board of the Town of Lewisboro Local Law __-2015 that this law shall take effect immediately upon its passage:

SECTION 3:

Section 220-23(A)(18) of Chapter 220: Zoning, is hereby enacted to read as follows:

§220-23. Schedule of regulations for residential districts.

- A. Permitted principal uses in R-4A, R-2A, R-1A, R-1/2A and R-1/4A Districts are as follows:

(18) *Hotels.

SECTION 4:

Section 220-43.3 of Chapter 220: Zoning, is hereby enacted to read as follows:

§220-43.3. Hotels

Hotels shall be special uses as follows:

- A. Location. The special use listed in this section may be permitted in a residence district only in locations fronting on or having direct access to major or collector roads as determined by the Planning Board and shown on the Town Development Plan Map.
- B. Coverage. Building coverage, including accessory buildings, shall not exceed 20% of the lot area, nor shall the sum total of the land covered with buildings and parking, including driveways, exceed 50% of the lot area, within any residence district.
- C. Setbacks. All new buildings shall be set back from adjoining properties in residence districts and street lines directly opposite properties in residence

districts a distance equal to at least twice the normally applicable front yard setback requirement for detached one-family dwellings in the zoning district in which they are located, but in no case less than 50 feet. Setback requirements may be modified by the Board of Appeals in case of conversions of existing buildings.

- D. Buffer area. A landscaped buffer area, meeting at least the minimum requirements of Section 220-15 of this chapter, shall be required along all lot lines adjoining properties in residence districts, except where determined by the approving agency that a lesser width or no buffer will meet the purpose of this requirement.
- E. Parking. Parking shall be in accordance with Section 220-56(D) of this chapter.
- F. Other requirements. In addition to the special standards described above, hotels shall comply with any other requirements of this chapter and any special requirements deemed appropriate by the approving agency in accordance with the requirements of Section 220-32 herein.

SECTION 5: HOME RULE

Nothing in this Local Law is intended, or shall be construed (a) to limit the home rule authority of the Town under State Law to limit the Town's discretion in setting fees and charges in connection with any applications requiring Town approval.

SECTION 6: SEVERABILITY

If any part or provision of this Local Law or the application thereof to any person or circumstance be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part of provision or application directly involved in the controversy in which judgment shall have been rendered and shall not affect or impair the validity of the remainder of this Local Law or the application thereof to other persons or circumstances, and the Town of Lewisboro hereby declares that it would have passed this Local Law or the remainder thereof had such invalid application or invalid provision been apparent.

SECTION 7: EFFECTIVE DATE

This Local Law shall take effect immediately upon filing in the office of the Secretary of State in accordance with Section 27 of the Municipal Home Rule Law.

Dated: _____, 2015

BY THE ORDER OF THE TOWN BOARD
OF THE TOWN OF LEWISBORO

JANET DONOHUE, TOWN CLERK