

**TOWN OF KENT  
TOWN BOARD MEETING  
Tuesday, November 27, 2018**

**Executive Session** – 6:00 p.m.

discuss proposed, pending or current litigation; collective negotiations pursuant to article fourteen of the civil service law; and the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

**Public Hearing** – 7:00 p.m.

Kent Town Code for the Regulation and Licensing of Food Trucks

**Workshop** –

1. Pledge of Allegiance
2. Lake Carmel Fire Department - Service Awards Program
3. Stop sign on Miller Hill Rd
4. Sewer District – time extension
5. Building Department - part-time temporary clerk
6. Finance Department – proposals for audit and actuarial work
7. Board of Assessment Review – advertise for new member
8. Announcements
9. Public Comment

**Meeting**

1. Roll Call
2. Vote on the following:
  - a) Approve revised service awards program for LCFD
  - b) Approve extension of time for Rt. 52 sewer hook-up
  - c) Approve part-time temporary clerk
  - d) Approve contract for audit services
  - e) Approve contract for actuarial services
  - f) Authorize Town Clerk to advertise for new member to the Board of Assessment Review
3. Vouchers and Claims
4. Correspondence
5. Public comment

TOWN OF KENT  
NOTICE OF HEARING

AMENDMENTS TO CHAPTER 53 and ADDITION OF CHAPTER 39-B  
OF THE KENT TOWN CODE

PUBLIC NOTICE is hereby given that there has been introduced before the Town Board of the Town of Kent, New York, on November 13, 2018 an amendment to Kent Town Code to provide for the regulation and licensing of Food Trucks. Chapter 53, entitled "Peddlers and Solicitors", will be amended so as not to apply to Food Trucks, and a new Chapter 39B regarding "Food Trucks" will be added to the Town Code.

NOW THEREFORE, pursuant to Section 20 of the Municipal Home Rule Law, the Town Board of the Town of Kent, New York will hold a public hearing on the aforesaid Amendment at the Town Offices, 25 Sybil's Crossing, Kent, New York, on November 27, 2018 at 7:00 p.m. in the evening of that day at which time all persons interested therein shall be heard. The Town Board will make every effort to assure that the hearing is accessible to persons with disabilities. Anyone requiring special assistance and/or reasonable accommodations should contact the Town Clerk.

Dated: November 15, 2018

BY ORDER OF THE TOWN BOARD OF THE  
TOWN OF KENT

YOLANDA D. CAPPELLI, TOWN CLERK

TOWN OF KENT  
AMENDMENT TO  
CHAPTER 39B OF THE KENT TOWN CODE

BE IT ENACTED by the Town Board of the Town of Kent, Putnam County, New York, as follows:

Section 1. Chapter 39B entitled “Peddlers and Solicitors”, is amended as follows:

Chapter 53. Peddlers and Solicitors

§ 53-10 Exemptions.

A. A.No part of this chapter shall be enforced so as to conflict with Article 4, § 32, of the General Business Law of the State of New York, providing for exemption for veterans.

B. B.The requirements of this chapter shall not apply to the following, provided that official uniforms, clothing or other suitable identification is displayed:

(1) Any recognized nonprofit, religious, charitable, educational, civic or political organization.

(2) Any such organizations as the Boy Scouts, Girl Scouts or local volunteer firemen.

C. The provisions of this Chapter shall not apply to operators of Food Trucks which possess a license pursuant to Chapter 39B of the Town Code.

Section 2. Chapter § 39-B shall be added to the Town Code, entitled “Food Trucks”, as follows:

Chapter 39B. Food Trucks.

39B-1. Definitions.

As used in this article, the following terms shall have the meanings indicated:

**APPLICATION**

The form and supporting information or documentation prescribed by the Town Board seeking the issuance of a food truck permit.

**FOOD TRUCK**

A vehicle from which food for human consumption is sold or dispensed. Such vehicle may be self-propelled or towed by another vehicle.

**FOOD TRUCK PERMIT**

The permit or license issued by the Town Clerk which shall be proof that a particular food truck has met the qualification requirements and that the location endorsed thereon has been approved by the Town for the purpose stated therein.

### **FOOD TRUCK PERMIT, SECONDARY**

A second permit which may be issued to an existing food truck permit holder which would allow such permit holder to locate his or her food truck at a secondary location on municipally owned property.

### **LOCATION**

The particular physical site, approved by the Town Code Enforcement Officer, where the food truck shall be parked and operated during permitted hours.

### **VETERAN**

Any veteran of the United States military service or coast guard who has been discharged from service for other than cause. Any veteran applicant shall submit a copy of his or her Form DD-214 as part of the application package.

### **§ 39B-2. Permit; fees.**

- A. No more than one permit shall be issued to any individual or qualifying business entity.
- B. Such permit shall be issued to an applicant who has completed the requisite application on the prescribed form provided by the Town Clerk, paid the requisite fee(s) and provided such additional information as may be required in the application, including, but not limited to, proof of general liability insurance with limits of liability not less than \$1,000,000 per occurrence; current vehicular registration, inspection and insurance; proof of permission to locate the food truck at the particular location; and, in the case of prepared food sales, a current food vendor's permit issued by the Putnam County Department of Health. The Town of Kent shall be listed as an additional insured on the policy of general liability insurance.
- C. Permits shall be issued on a calendar year basis running from January 1 to December 31. Applications for such permits shall be available to residents or established businesses located within the Town of Kent from November 1 through November 30 of each year for the following year. From December 1 on, applications, to the extent permits are still available, shall be accepted from nonresidents.
- D. The annual fee for a food truck permit shall be set by the Town Board and included in the annual fee schedule adopted by the Town Board, as the same may be amended from time to time. Any permit issued after July 1 shall be 1/2 of the annual permit fee and shall run for the balance of the calendar year. Any permit issued to a veteran shall be exempt from the payment of the annual fee. To be exempt from the payment of the requisite permit fee, such veteran shall actually be engaged in the operation of the food truck and shall be present at the location at all times the food truck is in operation.
- E. Food truck permit holders and any employee(s) shall be issued a photographic identification

card by the Town of Kent. Such identification shall be maintained on the person of the permit holder and employee at all times that the food truck is in operation and shall be open to the inspection by the Town Code Enforcement Officer.

- F. Secondary permits shall be made available to existing food truck permit holders who wish to provide food vending services on municipally owned properties on a monthly, weekly or daily basis. Such secondary permits shall only be issued to existing food truck permit holders. The fee for such secondary permit shall be set forth in the annual fee schedule, as the same may be amended from time to time.
- G. Notwithstanding the foregoing, any licensed or permitted food truck shall be allowed to operate on private property within the Town at a specific function and at the specific request by such private property owner for the purpose of catering or providing food service for such special function.

#### § 39B-3. Location.

- A. Except as otherwise provided for herein, a food truck permit shall allow the holder thereof to conduct the business vending food from a specific, stationary location. Such location shall be on private property or within or on a public thoroughfare or right-of-way. No vending or soliciting of food sales shall occur by the permittee at any location within the Town other than that which is declared on the permit.
- B. A permitted location shall be within a commercially zoned area and shall be subject to the prior approval of the Town Code Enforcement Officer to ensure that such location is safe for use by both vehicles and pedestrians.
- C. An applicant for a food truck permit shall provide proof, in writing, signed by the owner of the particular location or, with respect to state, county or other municipal thoroughfares, signed by the authorized permitting authority, that the applicant has permission to park or locate the food truck at that particular location. Such document shall be signed and acknowledged before a notary public.
- D. A permitted location shall have an improved parking area and shall have not less than two parking spaces available for patron use. Such parking spaces must be in addition to any parking spaces that are committed to other uses and/or occupancies that are served by the site as specified in the Town's zoning regulations or as set forth on any current site plan for the location.
- E. A permitted location shall not be closer than 500 feet to any existing restaurant, delicatessen, fast food establishment, or other food service establishment.
- F. There shall be no outdoor seating or other accommodation for on-site consumption of food or other vended products. The food truck permit holder shall provide adequate refuse

receptacles for patron use and shall provide that refuse deposited therein is removed from the permitted location on a daily basis.

§ 39B-4. Hours of operation.

- A. Food trucks may be operated during the hours of 5:00 a.m. through 9:00 p.m. on any given day.
- B. Food trucks shall be removed from the permitted location within one hour after closing and shall not be returned to the permitted location more than one hour before the permitted opening time on any given day. There shall be no overnight parking of food trucks at any permitted location.

§ 39B-5. Penalties for offenses; revocation.

- A. Any person who violates any provision of this article shall be guilty of an offense and upon conviction thereof shall be subject to a fine of not less than \$100 nor more than \$250 for each violation, or by imprisonment not exceeding 15 days, or both such fine and imprisonment.
- B. Conviction of three violations of any provision of this article shall result in the immediate revocation of the food truck permit.

Section 3. This local law shall take effect immediately.

Dated: November \_\_, 2018

BY THE ORDER OF THE TOWN BOARD OF

THE TOWN OF KENT

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\_\_\_\_\_ added text

## **Resolution for the Service Awards Program for Lake Carmel Fire Department**

The LOSAP system for the Lake Carmel Fire Department has never been updated since its inception in 1990. Since that time a number of changes have been implemented in Article 11-A of the New York State General Municipal Law (GML), which governs the regulations of all Length of Service Award programs in New York State.

The changes to the state law, which are notated in the following documents and a definition of activities covered in the law are as follows.

Inclusion of a category under training for classes longer than 100 hours

Inclusion of a scaled system for responses; 10% of responses for <500 calls, 7.5% of responses for calls 500 to 1000, 5% of responses 1000 – 1500 and 2 ½% for responses greater than 1500.

An increase of points for ambulance and fire calls making the percentage of calls necessary to be credited with 25 points

Inclusion of a category for those teaching fire prevention classes

Inclusion of a category for those injured in the line of duty while volunteering to receive credit under the system.

The Lake Carmel Fire Department is removing the category of Convention Delegate.

This resolution incorporates these changes. The changes are listed in the New York State Law and the maximum number of points awarded in each category cannot be increased. Each program sponsor has the right to reduce the amount of points given in each category with the exception of the 25 points awarded for responding to the minimum number of fire and ambulance/rescue calls. The sponsor is also allowed to determine the number of points awarded for each elected/appointed position. The points awarded is commensurate to the duties of the officers and elected positions.

## **Resolution/Service Awards Program for the Lake Carmel Fire Department**

The point system below is intended to comply with Article 11-A of the General Municipal Law (GML) of the State of New York. When adopted by the Kent Town Board it will replace any previous point system in effect. All active members who are at least 18 years old and have completed one year of firefighting service are eligible to earn points under this system. The points system consist of categories of activities for which active members can earn points. To earn service credit for a calendar year, an active member must earn at least 50 service awards points during the calendar year.

The points system of the Lake Carmel Fire Department may be amended in the future as long as the changes proposed are consistent with New York State Law and the approval of the sponsor, the Board of the Town of Kent.

### **Training Courses (other than drills) – 25 Point Maximum**

Service awards points are based on the duration of the training courses as follows:

Courses under 20 hours duration: One point per hour with a maximum of five (5) points.

Courses of 20 – 45 hours duration: One (1) point per hour for each hour over the initial 20 hours, with a maximum of ten points.

Courses over 45 hours to 100 hours duration 15 points per course.

Courses over 100 hours duration 25 points per course.

Courses must be authorized by the Chief.

The course must be taught by a qualified instructor and have a syllabus and prescribed topic. Points for training courses are awarded upon successful completion of the entire course and only in the year for which the course is successfully completed and the receipt of a certification of successful completion which includes the number of hours for the course. Attendance at a course must be documented with a point sheet signed by the members attending and a copy of the course sign-in sheet submitted and verification by an officer or individual in charge. Upon review of the Chief of the department courses related to emergency services that are taken outside of the district will be given service awards credit based on the number of hours documented on the completion certificate.

### **Attendance at Drills – 20 points maximum**

One point per drill (minimum two hours duration). Drills include:

Sunday drills

Monthly drills

Ambulance Drills

Mutual aid drills

Company drills

All other drills authorized by the Chief, the main purpose of which is to train or familiarize firefighters with emergency equipment or apparatus or operations.



**Participation in Sleep-in for each full night or Stand-by sessions. 20 Points maximum.**

Sleep in: One point for each full night. The period of coverage is 10 P.M to 5 A.M.

Lake Carmel Fire Department maintains a calendar scheduling members who guarantee their availability to sleep-in for a full night at home. All sleep-in schedules are maintained by the Ambulance Lieutenant and a copy of the schedule is to be provided with the point sheets. If a member is on the sleep in schedule and does not respond to a call while scheduled will not be awarded a point.

**Stand-by One point for each standby.**

A stand-by is defined as “a line of duty activity of the volunteer fire company lasting for at least four (4) hours, not falling under one of the other categories”. This includes the following activities, provided they meet the four hour duration requirement: pre-arranged standbys at neighboring departments, standby during storms, standby during neighboring department’s responses where they have their equipment committed to an emergency response, fireworks displays, 4 H fairs or other standbys declared by the Chief.

**Holding a Specific Elected or Appointed position. 25 points maximum**

Points are awarded annually, up to a maximum of 25 points for an active member who completes a one year term in an elected or appointed position. If a member is elected or appointed to more than one of these positions that member will receive points for only one position. The schedule of positions and corresponding points are as follows:

Title	Points	Title	Points
Chiefs	24	Safety Officer	12
Assistant safety officer	12	Infectious Control Officer	12
Captains	24	Lieutenants	24
President	24	Vice President	24
Recording Secretary	24	Financial Secretary	24
Corresponding Secretary	24	Treasurer	24
Assistant Treasurer	24	Explorer Advisor	12
Statistician	24	Assistant/backup Statistician	24
Chaplain??	24	Fund Raising Chairpersons	12
Quarter Master	12	House and Grounds Station 1	12
Elected Board of Directors	24	House and Grounds Station 2	12

Not every elected or appointed position is required to have a member assigned.

Any of the above who leave their elected office prior to the normal completion date will receive pro-rated points per month for each month completed starting with January of their term of office. If the member is appointed to the office and resigns prior to the normal completion date that member will receive pro-rated points for each month completed in that position.

## **Attendance at official department meetings 20 points maximum**

Attendance at any official department meeting 1 point per meeting with 20 points maximum. Members attending meetings held during drills will not be credited with a point for both activities. Attendance at the following official department meetings will qualify for one point.

Department regular meeting

Board of Directors meeting

Special meeting as required

Emergency meeting as required

Committee meetings

Officers meetings

Ambulance meeting called by the Ambulance Lieutenant or the Chief

## **Participation in Department Responses – 50 Points**

Points are credited on an all or nothing basis for responding the minimum percentage of total calls of the Lake Carmel Fire Department. If an active Member responds to the minimum percentage of all annual fire calls of the LCFD the Active member is credited with 25 points. If an Active Member responds to the minimum percentage of all annual ambulance calls the Active Member is credited with 25 points. An Active Member who responds to the minimum percentage of total fire calls and total ambulance calls is credited with 50 points. The required minimum percentage of calls is based on the total number of calls the department received in each category during the entire calendar year as follows:

### **Fire Calls 25 points maximum**

**(Other than emergency rescue and first aid squad calls).**

Participation in department responses, twenty-five points is awarded for responding to the minimum number of total fire calls as outlined below:

If a member responds to:

10% of total annual fire calls if the Fire Department receives less than 500 fire calls during the year.

7.5% of total annual fire calls if the Fire Department receives at least 500 but less than 1,000 fire calls during the year

5% of total annual fire calls if the Fire Department receives at least 1,000 but less than 1,500 fire calls during the year.

2.5% of total annual fire calls if the Fire Department responds to 1,500 or more fire calls during the year.

## **Ambulance Calls 25 points maximum**

### **(Emergency Rescue and Ambulance calls)**

Participation in department responses- twenty-five points for responding to the minimum number of total ambulance calls as outlined below:

If a member responds to:

10% of total annual ambulance calls if the Fire Department receives less than 500 ambulance calls during the year.

7.5% of total annual ambulance calls if the Fire Department receives at least 500 but less than 1,000 ambulance calls during the year

5% of total annual ambulance calls if the Fire Department receives at least 1,000 but less than 1,500 ambulance calls during the year.

2.5% of total annual ambulance calls if the Fire Department receives 1,500 or more ambulance calls during the year.

Example 1 : If the Fire Department is dispatched to 400 fire calls during a calendar year, an Active Member must respond to a minimum of 40 fire calls during the calendar year to earn 25 points ( $400 \times 10\% = 40$ ).

Example 2; If the Fire Department is dispatched to 550 ambulance calls during the calendar year, an Active Member must respond to a minimum of 42 ambulance calls during the calendar year to receive 25 points. ( $550 \times 7.5\% = 41.25$  ambulance calls which must be rounded up to 42).

Example 3: If the Fire Department responds to 325 fire calls and 450 ambulance calls during a calendar year, an Active member who responds to a minimum of 33 fire calls and 45 ambulance calls during the calendar year will receive 50 points.

Upon completion of an ambulance call the point sheet must be signed and put in the box in the radio room before leaving the premises to maintain security.

## **Miscellaneous activities - 15 points maximum**

One point for other activities for which points cannot be earned in another category described herein, at which an Active Member would be covered by the Volunteer Firefighters Benefit Law while participating in such activity. Activities which must be approved by the Chief or Assistant Chiefs in the Chiefs absence or President and in the absence of the President the Vice President include but are not limited to the following. Any miscellaneous activity must be for a minimum of one hour.

Fire Inspections

Fund Raising activities

Wakes, Funerals, Memorial services and Honor Guard

Parades

Work nights

Work Details as designated by the officer in charge

Fire Prevention activities other than teaching fire prevention classes.

Firehouse and equipment testing, maintenance, construction or repair.

Any other activity covered by the Volunteer Benefit Law and not otherwise listed one point per activity

Points will not be awarded for attendance at or planning social functions. (family picnic, Installation Dinner,), membership meetings of other organizations unless as a representative of LCFD, participation in responses of other departments or teams if LCFD is not dispatched to the call.

## **Teaching Fire Prevention Classes – 5 points maximum**

One (1) point per class will be awarded to an Active Member who at the direction of the Fire Department, and for no remuneration, presents a public education class in fire prevention to a school, not-for-Profit Corporation or civic organization organized and existing under the laws of New York State or authorized to conduct activities in this state.

## **Line of duty disability - 5 points per month/60 points per year**

In the event that an active Member is either totally or temporarily disabled, or partially and permanently disabled as certified by the Workers Compensation Board or other competent authority approved by the board, and the disability occurs during the course of service as a volunteer while actively engaged in providing line of duty services to the Lake Carmel Fire Department as defined in subdivision one of section 5 of the Volunteer Firefighters Benefit Law, and Active Member shall receive five (5) points for each complete calendar month during which such disability remains classified as total and temporary or partial and permanent.

### **Military Duty**

A participant whose volunteer fire service is interrupted by full time obligatory military service or by a single voluntary enlistment not to exceed four years in the armed forces of the United States shall be considered on military leave. During such period of military leave the participant shall receive active volunteer service credit of fifty points for each full year prorated for service of less than a full year.

### **Attendance**

Attendance reports must be signed by the officer or other member in charge of the activity.

Individual members have the responsibility of verifying their signature is recorded on the attendance report for each activity. If an attendance report is not prepared or available the member has the responsibility to assure the activity is properly recorded as in the case of NYS courses, EMT, ETC.

A member will not receive credit for more than one category for attendance during the same timeframe. (Drill and training program, committee meeting and work detail etc.). This does not preclude credit for a different activity which occurs during the same time period such as an ambulance call during a fire standby, fire or ambulance call during a drill.

### **Deleted**

## **Convention Delegate 5 points maximum**

Active volunteer elected/appointed to serve as a delegate to the fire-fighters convention will receive 5 points. For each convention meeting attended by an active member as a convention delegate appointed by the fire department will be awarded one point per meeting with 5 points maximum after providing the department with a report of the meetings attended and items of suggested actions to be taken if applicable.

# New York Consolidated Laws, General Municipal Law - GMU § 217. General requirements of a service award program

## Search New York Codes

No volunteer fire department, volunteer fire company, fire district, fire protection district, village, town or city, shall be required under this article to provide service award benefits for its active volunteer firefighters. Any service awards provided to an active volunteer firefighter under this article shall be governed by the provisions of section two hundred eighteen in the case of defined contribution plans, section two hundred nineteen in the case of defined benefit plans and in either case by the provisions of sections two hundred fourteen , two hundred fifteen , two hundred sixteen and two hundred nineteen-a of this article. No service award program may be provided under this article unless the following requirements are met:

- (a) An active volunteer firefighter must be eligible to participate in any service award program provided under this article if the active volunteer firefighter has reached the age of eighteen and has completed at least one year of firefighting service. The sponsor of the service award program may impose younger age or shorter length of service requirements for participation in the service award program.
- (b) A participant shall have a nonforfeitable right to a percentage of a service award that is not less than the percentage determined under the following table:

Years of Firefighting Service	Nonforfeitable Percentage
Less than 5	0
5 or more	100

Notwithstanding the preceding table, a participant shall have a one hundred percent nonforfeitable right to his service award upon his attainment of the entitlement age under the program. Each sponsor may establish a percentage table that provides for a faster rate of becoming nonforfeitable. Any amounts attributable to forfeiture of a participant's service award shall be used to reduce contributions for other service award program participants and shall not in any case be used to increase benefits for other participants. The preceding shall not preclude amendment of a service award program to provide for an increase in benefits.

- (c) A year of firefighting service shall be credited under a service award program for each calendar year after establishment of the program in which an active volunteer firefighter accumulates at least fifty points. Points shall be granted in accordance with a system adopted by the program sponsor. Such system shall provide that points shall be granted for activities designated by the program sponsor, which activities shall be selected from the following:
  - (i) Training courses – twenty-five points maximum.
  - (A) Courses under twenty hours duration – one point per hour, with a maximum of five points.

(B) Courses of twenty to forty-five hours duration – one point per hour for each hour over initial twenty hours, with a maximum of ten points.

(C) Courses over forty-five hours to one hundred hours duration – fifteen points per course.

(D) Courses over one hundred hours duration – twenty-five points per course.

(ii) Drills – twenty points maximum. One point per drill (minimum two hour drill).

(iii) Sleep-in or stand-by – twenty points maximum.

(A) Sleep-in – one point each full night.

(B) Stand-by – one point each. A stand-by is defined as line of duty activity of the volunteer fire company, lasting for four hours, not falling under one of the other categories.

(iv) Elected or appointed position (see definition) – twenty-five points maximum.

(A) Completion of one year term in an elected or appointed position. If the term of office for a firefighter who has been elected or appointed to a position in a fire company or fire department commences during the month of May, the participant shall receive credit for the full year notwithstanding the fact that the participant has not completed one year in the elected or appointed position at the end of the calendar year in which he or she was elected or appointed.

(B) An active volunteer firefighter elected to serve as a delegate to a firefighters' convention shall also be eligible to receive one point per meeting.

(v) Attendance at meetings – twenty points maximum.

Attendance at any official meetings of the volunteer fire company – one point per meeting.

(vi) Participation in department responses – twenty-five points for responding on the minimum number of calls, as outlined below:

(A) Total number of calls	0	500	1000	1500
volunteer fire company	to	to	to	and
responds to annually	500	1000	1500	up
other than emergency rescue				
and first aid squad calls				
(ambulance calls)				

Minimum number of calls	10%	7.5%	5%	2.5%
volunteer firefighter must				
run annually in order to				
receive twenty-five points credit				

(B) Total number of calls	0	500	1000	1500
emergency rescue and	to	to	to	and
first aid squad (ambulance)	500	1000	1500	up
Minimum number of calls	10%	7.5%	5%	2.5%
volunteer firefighter				
must run annually in				
order to receive				
twenty-five points credit				

(vii) Miscellaneous activities – maximum fifteen points. Participation in inspections and other activities covered by the volunteer firefighters' benefit law and not otherwise listed – one point per activity.

(viii) In the event that any active volunteer firefighter is either totally and temporarily disabled, or partially and permanently disabled, as certified by the workers' compensation board or other competent authority approved by the sponsor of the service award program, and the disability occurs during the course of service as a volunteer, while actively engaged in providing line of duty services, as defined in subdivision one of section five of the volunteer firefighters' benefit law, the firefighter shall receive five points for each full month of such disability.

(ix) Teaching fire prevention classes--five points maximum. An active volunteer firefighter who at the direction of his company, district or department, and for no remuneration, presents a public education class on fire prevention to a school, not-for-profit corporation, or civic organization organized and existing under the laws of this state or authorized to conduct activities in this state--one point per class.

The program sponsor may designate less than all the activities specified in this subdivision as activities for which points may be earned.

(d) An active volunteer firefighter's service award program may provide for the crediting of years of active firefighting service for periods prior to the establishment of such program to a maximum of five years of active firefighting service per participant but only to the extent authorized pursuant to section two hundred sixteen of this article.

(e) In order to provide credit for service prior to the establishment of the service award program, each sponsor shall review its prior membership rosters to determine the number of years credit for each participant who is entitled to credit. In making the analysis, the standards for active service set forth in subdivision (c) of this section and adopted by the sponsor shall be used. Approval for such prior service shall require certification by the president, secretary and chief of the volunteer fire company. In the event an active volunteer firefighter requests credit for service in more than one volunteer fire company, each such company shall provide a certification for the appropriate number of years.

*(f) Repealed by L.2015, c. 534, § 1, eff. Dec. 11, 2015.*

- (g) An active volunteer firefighter whose name does not appear on the approved certified list or who is denied credit for service prior to the establishment of the service award program shall have the right to appeal within thirty days of posting of the list or within thirty days of denial of past service credit. The appeal shall be in writing and mailed to the clerk or secretary of the governing board of such political subdivision, which shall investigate the appeal. The decision of the authorities in control of each volunteer fire company shall be subject to appropriate judicial review.
- (h) An active volunteer firefighter's service award program may designate that benefits thereunder may be paid in the form of a lump sum, a life annuity with or without survivor benefits, period certain annuities, or any other form provided under the program. All forms of benefit payments shall be actuarially equivalent to each other. The sponsor may limit the forms of benefit payment under a service award program or impose conditions concerning the availability of such benefits. Nothing in this subdivision shall require a sponsor of a service award program to purchase annuity contracts from an insurance company.
- (i) A participant whose volunteer fire service is interrupted by full-time extended obligatory military service or by a single voluntary enlistment not to exceed four years in the armed forces of the United States shall be considered on military leave. During such period of military leave, the participant shall receive active volunteer service credit of fifty points for each full year, prorated for service of less than a year.
- (j) All program assets shall be held in trust for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. If the service award program and the related trust are not tax qualified within the meaning of sections 401 and 501 of the Internal Revenue Code of 1954 (68A Stat 3, 26 U.S.C. 401 and 501 ), the trust referred to in this subdivision may provide that the assets held thereunder may be subject to the claims of general creditors, if any, of the sponsor or may contain such other terms and provisions as are necessary to insure that the participation by an active volunteer firefighter in the service award program does not result in taxable income to such volunteer firefighter under any provision of the Internal Revenue Code of 1986, as amended.
- (k) Every fiduciary of a service award program will be required to act solely in the interest of the program's participants and beneficiaries. Subject only to the provisions of the program document, a fiduciary may accept, hold, invest in and retain any investment if purchased or retained in the exercise of the degree of judgment and care, under the circumstances then prevailing, which persons of prudence and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to permanent disposition of their funds, considering the probable income to be derived therefrom as well as the probable safety of their capital.
- (l) No service award provided under the program may be assigned or alienated except to provide for the legally obligated support of minor children or spouse.
- (m) A participant who is convicted of the crime of arson in any degree as defined in the penal law shall not be eligible to receive benefits from a service award program and shall forfeit any and all rights he or she may have had to past or future benefits pursuant to a service award program.



(n) An active volunteer firefighters' service award program may provide for the crediting of years of active firefighting service for periods after an active volunteer firefighter has reached the entitlement age and is receiving a service award.

(o) In the case of a state-administered service award program, the state comptroller may promulgate rules and regulations prescribing procedures and forms for the compilation and maintenance of records of the points accumulated by each volunteer firefighter. Each fire company participating in the state-administered program shall compile and maintain such records in the manner prescribed.

**SHELDON POLLOCK, PRESIDENT  
MILLER HILL WOODS COURT ROAD ASSOCIATION, INC  
31 MILLER HILL WOODS COURT  
KENT LAKES, NY 10512**

October 23, 2018

Town of Kent  
Board of Supervisors  
25 Sybil's Crossing  
Kent, NY 10512

We are writing to inform you that the situation with respect to our entry onto Miller Hill Road from Miller Hill Woods Court has become intolerably unsafe. In fact, this stretch of Miller Hill Road from the Dutchess county line for approximately a mile eastwards has many hazards.

The intersection of Miller Hill Woods Court with Miller Hill Road occurs near the bottom of a steep hill and (eastbound) beyond a blind corner and down a further grade. Visibility through the turn is very poor and vegetation during summer makes it all the more difficult to see oncoming traffic and vice-versa. Two signs, one indicating a school bus stop and the other an upcoming intersection, seem to largely go unnoticed by drivers heading downhill regardless of their speed. Please also note that the School District uses our private road as a turn-around and to pick up and drop off students given that stopping on Miller Hill Road would be intolerably unsafe.

Although the posted speed limit is 30MPH, a substantial minority of drivers exceed this limit (mostly those heading down hill). The repaving of Miller Hill Road down to the Taconic State Parkway on the Dutchess side of the county line appears to have had the effect of speeding up cut-through traffic.

The Miller Hill Woods Court Road Association maintains mirrors pointing both up and down the hill along this stretch of Miller Hill Road and also endeavors to keep the vegetation pruned back to increase visibility. But these measures have proved insufficient.

Because most of our residents have experienced frightening near misses over the past few years when pulling out, all eleven households of the Miller Hill Woods Court Road Association met recently and agreed to initiate a formal request to the Town of Kent that stop signs be placed at the intersection of Miller Hill Woods Court and Miller Hill Road. We would like to note that stop signs were placed at the Madden Summer Camp approximately 100 yards down Miller Hill Road for similar reasons some 10s or so years ago.

We would also like to petition for a reduction in posted speed limits to 25 MPH from the current 30 through the section of Miller Hill Rd stretching from the county line approximately a mile eastwards to where the road widens, straightens and flattens out. This initial section of the road from the county line is narrow, poorly surfaced and lined with extruding vegetation and stone walls.

It further contains four blind corners and a narrow 15 foot choke point at the bridge. Although the posted speed limit just before and after Madden is 15 MPH practically no one adheres to it. And a sign just past Madden but before the bridge heading east raises the limit back up to 30 MPH although a 15 foot choke point is literally a few yards ahead. The situation is furthered exacerbated by rainy or foggy weather and was made measurably worse when the town stopped striping the road removing any incentive for people to stay on their side of the road when oncoming traffic approaches.

Given these hazardous conditions a posted speed limit of 30 MPH often means drivers are exceeding 30 MPH, and when in large vehicles like full-sized SUVs or pick-ups, the blind corners and the choke point at the bridge become extremely dangerous. There is no way two large vehicles can safely pass through a 15 foot choke point at 30 MPH with approximately six inches of clearance between them. And that assumes such vehicles are travelling at 30MPH as they approach the bridge which is often not the case.

Given that all of our road association members have experienced multiple near misses along this section of Miller Hill Road, we greatly appreciate your attention with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheldon Pollock". The signature is fluid and cursive, with the first name "Sheldon" written in a larger, more prominent script than the last name "Pollock".

Sheldon Pollock, President

Miller Hill Woods Court Road Association, Inc.

**Subject:** 388-390 Route 52 Sewer Hookup

Hello Mr. Denbaum and Supervisor Fleming,

Once again I have Mrs. Kimberly Pugliese from 388-390 Route 52 request for a extension of time to hook up to the town sewer. She submitted application in March 2017 which runout in March 2018 and a 6 month extension was given. That permit has now runout. She doesn't have the money to hookup to the system. She has project cost of \$20,000 per house and she has two dwelling which means the finally cost could be near \$40,000. The cost is so high due to the amount of rock the contractor need to hammer or blast through to get to the connection on Route 52

A review of the sewer code implies that the fine due to failure to hook up is \$1000.00. and each day could be another charge or fine. I don't know if they've paid the taxes and know that was an issue a few years ago.

They filed for an exemption when the law was wrote and passed and were turned down. I'll be out of the office till next week if someone could give a little direction in this matter would be greatly appreciated.

Respectfully

**Wm. Walters**

Kent Town Building Inspector

25 Sybil's Crossing

Kent Lakes, NY 10512

845/306-5597 Telephone

845/225-5130 Fax

[Buildinginspector@townofkentny.gov](mailto:Buildinginspector@townofkentny.gov)

[www.townofkentny.gov](http://www.townofkentny.gov)

## Tamara Harrison

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**From:** Accountant  
**Sent:** Monday, November 26, 2018 2:08 PM  
**To:** Maureen Fleming; Jaime Mcglasson; Paul Denbaum; Bill Huestis; C Woolley  
**Cc:** Tamara Harrison; Nancy Tagliaferro  
**Subject:** Audit and actuary proposals  
**Attachments:** T Kent Engagement Letter 2018-2022.pdf; Proposal - Town of Kent GASB75 Valuation and Roll Forward 2018-2019 092118.pdf

Hello everyone,

Please find attached the proposals for our audit and actuarial services.

1. Audit: The audit proposal calls for a 5 year contract with flat fee of \$36,700 for the first two years and a modest 2% increase for years 3 through 5. The Board can decide to accept the proposal for all the 5 years or just several years.
2. Actuarial services: The below is an e-mail from our actuary:
  - 1.) Town will be a full valuation under GASB75, since 2018 would be your organization's first year of implementation. Fee would be \$5,000, which is the same as the last full valuation.
  - 2.) For 2019, the calculation will be a roll forward, so we would anticipate a fee of \$2,000, similar to past years plus additional sensitivity analysis required for GASB75 disclosures.
  - 3.) Note that valuations will now be every two years under GASB75 rather than every three years for your organization based on your size under GASB45.

Please let me know if you have any questions.

Thanks,  
Yulia



September 18, 2018

The Honorable Maureen Fleming  
Town Supervisor  
Town of Kent  
25 Sybil's Crossings  
Kent Lakes, New York 10512

Dear Supervisor Fleming:

This letter sets forth our understanding of the terms and objectives of our engagement, and the nature and scope of the services we will provide to the Town of Kent, New York ("the Entity").

Prior to the commencement of our audit(s) we may not know if an audit performed in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles and Audit Requirements for Federal Awards ("Uniform Guidance") is required. Consequently this letter includes the words "if applicable" next to relevant single audit communication requirements.

#### **Audit objectives**

We will audit the Entity's statements of the governmental activities, each major fund and the aggregate remaining fund information and related notes to the financial statements, which collectively comprise the basic financial statements of the Entity as of and for the years ended December 31, 2018, 2019, 2020, 2021 and 2022 and issue our reports thereon as soon as reasonably possible after completion of our work. We will also audit the Justice Court on the basis prescribed by new York State for the years then ended.

Accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis to supplement the Entity's financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Funding Progress – Other Post-Employment Benefits
- Schedule of Changes in the Total OPEB Liability and Related Rating
- Schedule of the Contributions and Proportionate share of the Net Pension Liability

PKF O'CONNOR DAVIES, LLP  
500 Mamaroneck Avenue, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | [www.pkfod.com](http://www.pkfod.com)

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.



We have also been engaged to report on supplementary information other than the RSI that accompanies the Entity's financial statements. We will subject the following supplementary information to the auditing procedures applied in our 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 US GAAS and our auditors' report will provide an opinion on such information in relation to the financial statements as a whole:

- Combining and Individual Fund Financial Statements and Schedules
- Schedule of Expenditures of Federal Awards (if applicable)

We will conduct the audit in accordance with US GAAS, the standards for financial audits contained in Government Auditing Standards ("GAGAS") issued by the Comptroller General of the United States (if applicable), and Uniform Guidance (if applicable) and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance (if applicable), and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. The aforementioned standards require that we obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement, whether caused by error or fraudulent financial reporting; misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Entity's or to acts by management or employees acting on behalf of the Entity. Because the determination of abuse is subjective, GAGAS do not expect auditors to provide reasonable assurance of detecting abuse. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us even though the audit is properly planned and performed in accordance with US GAAS and GAGAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements and on those programs we have determined to be major programs (if applicable). However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting or misappropriation of assets and any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit in accordance with Uniform Guidance (if applicable). We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

The objective of an audit is the expression of an opinion on whether these financial statements are presented fairly, in all material respects, in conformity with US GAAP and to report on the fairness of the supplementary information referred to in the preceding paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with Uniform Guidance (if applicable).

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to GAGAS.

Uniform Guidance (if applicable), requires that we also plan and perform the audit to obtain reasonable assurance about whether the Entity has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the Uniform Guidance for the types of compliance requirements that could have a direct and material effect on each of the Entity's major programs (if applicable). The purpose of these procedures will be to express an opinion on the Entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to Uniform Guidance. As required by Uniform Guidance, we will also perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to prevent or detect material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Uniform Guidance, if applicable.

If our opinion on either the financial statements or the requirements of Uniform Guidance (if applicable) is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion(s), we may decline to express an opinion or decline to issue a report as a result of the engagement.

In making our risk assessments, we consider 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. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to GAGAS. An audit is also not designed to identify significant deficiencies or material weaknesses. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control and other internal control related matters relevant to the audit of the financial statements that we have identified during the audit, as required by US GAAS, GAGAS and Uniform Guidance (if applicable).

The report on internal control and compliance will include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with GAGAS in considering internal control over financial reporting and compliance and Uniform Guidance (if applicable) in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form (if applicable) that summarize our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the



federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

We will also communicate with those charged with governance any (a) fraud involving senior management and other fraud that causes a material misstatement of the financial statements; (b) violations of laws or governmental regulations that come to our attention (unless they are clearly inconsequential); (c) disagreements with management and other serious difficulties encountered in performing the audit; and, (d) various matters related to the Entity's accounting policies and financial statements.

As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. Management, however, has final responsibility for reviewing the proposed entries and understanding the nature and impact of the proposed entries to the financial statements. It is our understanding that management has designated qualified individuals with the necessary expertise to be responsible and accountable for overseeing the acceptance and processing of such journal entries.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

### **Management's responsibilities**

The financial statements and their fair presentation in accordance with US GAAP, including all informative disclosures, RSI and supplementary information, are the responsibility of the Entity's management. Management is also responsible for: (1) the selection and application of accounting policies; (2) 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 and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge; (3) ensuring the Entity complies with the laws and regulations applicable to its activities; (4) making all financial records and related information available to us of which you are aware that is relevant to the preparation and fair presentation of the financial statements, as well as any additional information that we may request for the purpose of the audit; (5) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain audit evidence; and (6) adjusting the financial statements and supplementary information to correct material misstatements.

Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of Uniform Guidance (if applicable). As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards (if applicable), and related notes. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal (*and/or state*) awards that includes our report thereon. You are responsible for making all management decisions and assuming all management responsibilities relating to the financial statements, schedule of expenditures of federal awards and related notes, and for accepting full responsibility for such decisions.

Management's responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the RSI and supplementary information in accordance with US GAAP;

(2) you believe the RSI and supplementary information, including its form and content, is fairly presented in accordance with US GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the RSI and supplementary information.

In order to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements, management is responsible for establishing and maintaining effective internal control, including internal control over compliance, and for evaluating and monitoring ongoing activities.

Management's responsibilities also include identifying any significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the Entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, grantors, regulators or others. In addition, you are responsible for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, agreements and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. Additionally, as required by Uniform Guidance (if applicable), it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the audit objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. The Entity is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

At the conclusion of the engagement, we will request from management written confirmation concerning representations made to us in connection with the audit. The representation letter, among other things, will confirm management's responsibility for: (1) the preparation of the financial statements in conformity with US GAAP, (2) the availability of financial records and related data, and (3) the completeness and availability of all minutes of board meetings. Management's representation letter will further confirm that: (1) the effects of any uncorrected misstatements aggregated by us during the engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (2) we have been informed of, or that there were no incidences of, fraud involving management or those employees who have significant roles in the Entity's internal control. You will also be required to acknowledge in the management representation letter, when applicable, our assistance with preparation of the financial statements and related schedules, RSI and the schedule of expenditures of federal awards (if applicable) and that you have reviewed and approved the financial statements, aforementioned schedules and RSI, and related notes prior to their issuance and have accepted responsibility for them. We will place reliance on these representations in issuing our report.

In the event that we become obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, as a direct or indirect result of an intentional, knowing or reckless misrepresentation or provision to us of inaccurate or incomplete information by the Entity or, any elected official, member of management or employee thereof in connection with this engagement, and not any failure on our part to comply with professional standards, you agree to indemnify us against such obligations.

To the best of your knowledge, you are unaware of any facts which might impair our independence with respect to this engagement.

The financial statements are the property of the Entity and can be reproduced and distributed as management desires. You may wish to include our report on these financial statements in a registration statement proposed to be filed under the Securities Act of 1933 or in some other securities offering. You agree that reference to our Firm will not be included in any such offering without our prior permission or consent. Any agreement to perform work in connection with an offering, including an agreement to provide permission or consent, will be a separate engagement.

If you do not engage us for this service, the following paragraph must be included in the offering statement – “PFK O’Connor Davies, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. PFK O’Connor Davies, LLP also has not performed any procedures relating to this official statement.”

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

We understand that your accounting department personnel will assist us to the extent practicable in completing the audit. They will provide us with detailed trial balances, supporting schedules, and other information we deem necessary. A list of these schedules and other items of information will be furnished to you before we begin the audit. The timely and accurate completion of this information is an essential condition to our completion of the audit and the issuance of the audit report.

We keep documents related to this engagement in accordance with our records retention policy and applicable regulations. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

Management is responsible for management decisions and assuming all management responsibilities; for designating an individual with suitable skill, knowledge, and/or experience to oversee the non-attest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

#### **Non-reliance on Oral Advice**

It is our policy to put all advice on which a client intends to rely in writing. We believe that is necessary to avoid confusion and to make clear the specific nature and limitations of our advice. You should not rely on any advice that has not been put in writing by our firm after a full supervisory review.

## Electronic and other communication

During the course of the engagement, we may communicate with you or with Entity personnel via fax or e-mail. You should be aware that communication in those media may be unsafe to use and contains a risk of misdirection and/or interception by unintended third parties, or failed delivery or receipt. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of e-mail or other electronic transmissions, including any consequential, incidental, direct, indirect or special damages.

## Access to working papers

During the course of this engagement, we will develop files of various documents, schedules and other related engagement information known as our working papers. As we are sure you can appreciate, these working papers may contain confidential information and our firm's proprietary data. You understand and agree that these working papers are, and will remain, our exclusive property. Except as discussed below, any requests for access to our working papers will be discussed with you before making them available to requesting parties:

- (1) Our firm, as well as other accounting firms, participates in a peer review program covering our audit and accounting practices. This program requires that once every three years we subject our system of quality control to an examination by another accounting firm. As part of this process, the other firm will review a sample of our work. It is possible that the work we perform for you may be selected for review. If it is, the other firm is bound by professional standards to keep all information confidential.
- (2) We may be requested to make certain working papers available to regulators pursuant to authority given to them by law, regulation or subpoena. Such regulators may include (i) a federal agency providing direct or indirect funding or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities; (ii) the American Institute of Certified Public Accountants; and (iii) the State Education Department. If requested, access to such working papers will be provided under the supervision of our personnel. Furthermore, upon request, we may provide photocopies of selected working papers to them. The regulator may intend, or decide, to distribute the photocopies or information contained therein to others, including other government agencies.

## Fees and billing

The components of our fees for each of the next five years are detailed below:

	<u>2018 (1)</u>	<u>2019 (1)</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Basic fee* (inclusive of travel expenses pertaining to audit) inclusive of the Board Meetings including GASB Statement No. 34 Additional Auditing and Risk Assessment (2), Town Justice Court audit	<u>\$ 36,700</u>	<u>\$ 36,700</u>	<u>\$ 37,425</u>	<u>\$ 38,175</u>	<u>\$ 38,925</u>

- (1) In recognition of our longstanding relationship with the Town, we are keeping the basic fee for the audit of the Town's December 31, 2018 and 2019 financial statements the same as the basic fee charged for the December 31, 2015, 2016 and 2017 audits.
- (2) In the event that the Entity spends \$750,000 or more in Federal Assistance in any given fiscal year, a Single Audit will be required pursuant to Uniform Guidance. Our fees for the compliance audit will be \$3,000 per program.

The fee is based on anticipated cooperation from your personnel, audit condition of the books and records and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

In accordance with our firm policies, work may be suspended if your account becomes overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our fees for these services are due and payable under the payment schedule which follows. Invoices for additional amounts that may be incurred for these and other services will be rendered as such work progresses and are payable upon presentation.

<u>Payments will be due</u>	<u>Percentage</u>
Upon completion of our audit field work	75%
Upon submission of the final report and management letter	25%
	<u>100%</u>

Our hourly rates for any additional services for the initial year of the engagement are detailed below. This rate will increase by 2% each year in the subsequent years.

<u>Hourly Rate for Professional Services</u>			
*	Senior Partner	\$	300
**	Partner		290
**	Senior Manager		230
**	Manager		200
**	Supervisor		175
**	Senior Accountant		155
**	Staff Accountant		135
*	Represents a discount from standard rate of \$395		
**	Represents a 20% discount from standard rates		

### **Liability**

Any and all claims by the Entity arising under this engagement must be commenced by the Entity within one year following the date on which our firm delivered our report on the financial statements associated with this engagement, or the date the Entity is informed of the engagement's termination in the event our report is not delivered, for any reason.

You agree to indemnify our firm, its partners, principals and employees, to the fullest extent permitted by law for any expense, including compensation for our time at our standard billing rates and reimbursement for our out-of-pocket expenses and reasonable attorneys' fees, incurred in complying with or responding to any request (by subpoena or otherwise) for testimony, documents or other information concerning the Entity by any governmental agency or investigative body or by a party in any litigation or dispute other than litigation or disputes involving claims by the Entity against the firm. This indemnification will survive termination of this engagement.

### **Dispute resolution**

Any claim or controversy ("dispute") arising out of or relating to this engagement, the services provided thereunder, or any other services provided by or on behalf of the firm or any of its subcontractors or agents to the Entity or at its request (including any dispute involving any person or entity for whose benefit the services in question are or were provided), shall first be submitted in good faith for mediation administered by the American Arbitration Association ("AAA") under its Mediation Rules. Each party shall bear its own costs in the mediation. Absent an agreement to the contrary, the fees and expenses of the mediator shall be shared equally by the parties.

If the dispute is not resolved by mediation within 90 days of its submission to the mediator, then, and only then, the parties shall submit the dispute for arbitration administered by the American Arbitration Association under its Professional Accounting and Related Services Dispute Resolution Rules (the "Rules"). The arbitration will be conducted before a single arbitrator selected from the AAA's Panel of Accounting Professionals and Attorneys and shall take place in New York, New York.

Any discovery sought in connection with the arbitration must be expressly approved by the arbitrator upon a showing of substantial need by the party seeking discovery.

All aspects of the arbitration shall be treated as confidential. The parties and the arbitrator may disclose the existence, content or result of the arbitration only as expressly provided by the Rules.

The arbitrator shall issue his or her final award in a written and reasoned decision to be provided to each party. In his or her decision, the arbitrator will declare one party the prevailing party. The arbitrator shall have the power to award to the prevailing party reasonable legal fees associated with the arbitration and prior mediation. The arbitrator shall have no authority to award non-monetary or equitable relief of any sort. The arbitrator shall not have authority to award damages that are punitive in nature, or that are not measured by the prevailing party's actual compensatory loss.

The award reached as a result of the arbitration will be binding on the parties and confirmation of the arbitration award may be sought in any court having jurisdiction.

This engagement will be governed by the laws of the State of New York, without giving effect to any provisions relating to conflict of laws that would require the laws of another jurisdiction to apply.

### **Confirmation and other**

Robert Daniele is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

GAGAS require that we provide you with a copy of our most recent external peer review report, and any subsequent peer review reports received during the period of the contract. Our latest peer review report accompanies this letter.

We will provide copies of our reports to the Entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Our audit engagement for each year ends on delivery of our audit report covering that year. Requests for services other than those included in this engagement letter will be agreed upon separately.

All rights and obligations set forth herein shall become the rights and obligations of any successor firm to PKF O'Connor Davies, LLP by way of merger, acquisition or otherwise.

If this letter correctly expresses your understanding of the terms of our engagement, including our respective responsibilities, please sign the enclosed copy where indicated and return it to us.

We are pleased to have this opportunity to serve you.

Very truly yours,

*PKF O'Connor Davies, LLP*  
PKF O'Connor Davies, LLP

/

Enc.

The services and terms described in the foregoing letter are in accordance with our requirements and are acceptable to us.

**TOWN OF KENT, NEW YORK**

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

PKF O'Connor Davies, LLP, is a member firm of PKF International Limited, a network of legally independent firms. Neither the other member firms nor PKF International Limited are responsible or accept liability for the work or advice which PKF O'Connor Davies, LLP provides to its clients.
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## **Report on the Firm's System of Quality Control**

June 14, 2017

To the Partners of PKF O'Connor Davies, LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of PKF O'Connor Davies, LLP (the firm) in effect for the year ended December 31, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Davie Kaplan, CPA, P.C.  
1000 First Federal Plaza • Rochester, New York 14614  
Tel: 585-454-4161 • Fax: 585-454-2573 • [www.daviekaplan.com](http://www.daviekaplan.com)



### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, and examinations of service organizations SOC 1 and SOC 2 engagements.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of PKF O'Connor Davies LLP in effect for the year ended December 31, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. PKF O'Connor Davies LLP has received a peer review rating of *pass*.

*Davie Kaplan, CPA, P.C.*

DAVIE KAPLAN, CPA, P.C.

Davie Kaplan, CPA, P.C.  
Certified Public Accountants



September 21, 2018

Ms. Yulia Kelly  
Director of Finance  
Town of Kent  
Administration Office  
25 Sybil's Crossing  
Kent Lakes, NY 10512

Re: Proposal for Actuarial Consulting Services (GASB 75)

Dear Ms. Kelly:

Thank you for selecting us as your actuarial partner for the upcoming year. As requested, below is a proposal for services for providing Town of Kent ("Town") with a post-employment benefits valuation under Government Accounting Standards Board (GASB) No. 75. As part of the proposal, we have attached an exhibit (Exhibit I) with a proposal acceptance signature page. If you agree with the proposal below, please sign and fax to my attention at (914) 933-0064. If you have any questions or wish to review in more detail, please contact me at (914) 933-0063.

The terms and conditions of this agreement are as follows:

- **Current Year Valuation:** We are proposing a flat fee of \$5,000 for a full valuation for the current fiscal year (2018), which would be payable upon completion of the project. Estimated completion is approximately three weeks based on availability of information. Exhibit I of this proposal has a data request.
- **Interim (Roll Forward) Calculation:** We are proposing a flat fee of \$2,000 for fiscal year (2019), which is based on the assumption that we are completing the full valuation for fiscal year 2018.
- **Objective:** This report is provided to the Town for the purpose of calculation results under GASB 75. Information in this report may not be appropriate to use for other purposes. Aquarius does not intend to benefit from the overall results of the report and we assume no duty, liability or obligation to parties that use this work for other reasons other than its intention, i.e., reporting of GASB 75 for financial statements.
- **Liability:** Town agrees to indemnify, defend and hold harmless Aquarius from any liability, including third party liability, except liability arising from Aquarius' gross negligence. Aquarius liability is limited to fees earned under this agreement. In any action or proceeding to enforce this agreement, Aquarius shall be entitled to recover its reasonable attorneys' fees and costs from Town.

#### Proposed Work Plan

Below is a summary of our proposed work plan.

- **Data Gathering –** We provided a sample data request to be used for collecting information for the valuation. See Exhibit II for a sample data request. We anticipate obtaining information electronically for individual record information on active, including opt-outs, and retired employees, vested terminated employees and their dependents (including surviving dependents).



September 21, 2018

Page 2

- Review of Assumptions – We will provide suggestions and recommendations on the assumptions to be used for the GASB 75 valuation unless you have already identified and selected certain assumptions (e.g., state pension plans, etc.).
- Valuation Report - Valuation report will include GASB 75 financial results along with a summary of assumptions, plan provisions and demographic census information used in the valuation. If desired, we can review report in detail with you and adjust valuation accordingly if needed.
- Sensitivity Analysis - As part of the valuation, we will include sensitivity analysis based on variations of discount interest rates and health care cost inflation (trend) increases.

Please note that we did not provide a proposed end date since we understand that each organization will be able to provide information at different rates depending on access to their data. We anticipate the completion time is approximately three to four weeks from receiving all data items as outlined in Exhibit II.

If any questions, please call me at (914) 933-0063. Alternatively, please feel free to e-mail me at [michael.frank@aquariuscapital.com](mailto:michael.frank@aquariuscapital.com). Thank you for considering us for this opportunity. We look forward to potentially working with you.

Sincerely,

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Michael L. Frank, A.S.A., F.C.A., M.A.A.A.  
President and Actuary

Cc: Donald Rusconi – Aquarius Capital

Enclosure (Exhibits I-II)



**AQUARIUS  
CAPITAL**

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**EXHIBIT I**

**Proposal Acceptance Signature Page**

**Project: Town of Kent – GASB No. 75 Proposal (Proposal Date September 21, 2018)**

**Proposed Fee for Full Valuation equal to \$5,000.00 and Roll Forward equal to \$2,000.00**

I agree to the above arrangement:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Please sign and fax to the following:

Fax No.: (914) 933-0064

**Aquarius Capital**  
Attn: Michael Frank  
110 Betsy Brown Rd.  
Port Chester, NY 10573





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## **EXHIBIT II**

### **Summary Request for Information**

Below is a summary of data items required for completing a valuation for post-employment non-pension benefits for GASB Statements No. 75 for Town of Kent. Information required is as follows:

1. **Summary of Retiree Benefits:** Obtain the plan design(s) for retiree benefits including deductibles, coinsurance, maximum benefits and insurance carrier providers. Benefits would include medical, prescription drugs, dental, vision, life and other post-employment benefits. Please include a copy of a plan summary, plan document and/or summary plan description. Please confirm if Medicare Part B premium reimbursement, including IRMAA, for Medicare eligible retirees and dependents.
2. **Financial Year:** Please provide the dates for fiscal year (e.g., 1/1/18 to 12/31/18, etc.).
3. **Eligibility Requirements:** Please provide eligibility requirements by type of retirement benefit (e.g., medical, life, etc.) and how it applies to benefits and retiree contribution rates. Please identify the requirements to apply for each group if varying requirements (e.g., minimum age and/or minimum years of services) by benefit. Please confirm if the requirement for all benefits (e.g., medical, life, etc.). Please identify if certain groups have been grandfathered for benefits (or provided any special incentive packages) and if certain benefits are available to current retirees or if future retirees (those currently active) will be eligible for these benefits.
4. **Electronic Census Information:** Provide an electronic census for population including:
  - Employee ID
  - Date of birth, date of hire, and spouse date of birth (if applicable & available)
  - Gender
  - Date of termination or retirement (if applicable)
  - Eligibility indicator (if applicable or available)
  - Employment status (e.g., active, retired, surviving spouse, etc.)
  - Annual salary/compensation for active employees
  - Salary class/grouping if additional reporting is requested by this class (may be used for contribution variations, retiree eligibility, or other reporting requirements).
  - Election for each type of covered benefit (Y or N) – Example, Medical, Dental, Life, etc.
  - Coverage tier for each type of covered benefit (e.g., EE only, EE + 1 dependent, etc.)
  - Insurance Carrier name and premium rate before employee contributions
  - Retired employee contribution rate (if tracked uniquely to each employee), if applicable
  - Retiree life insurance benefit amount, if applicable.

Please provide electronic census on a record-by-record basis in Excel for both actives (including eligible opt-outs) and retirees (including term vested and surviving spouses). In addition, please include any control totals so we can compare electronic files for validation check as well as effective date of provided census. If you desire results to be summarized by subcategories (e.g., employee class), then please include an indicator in the census information so results can be separated accordingly.

5. **Premium Rates for Retiree Population:** Please provide premium rate information for the past two to three years for all coverages on both a pre-65 and post-65 retiree basis. Please provide for each insurance benefit and insurance carrier.
6. **Other Reporting:** Copies of last year end audited financials referencing GASB 45/75 accounting and footnotes, if a prior valuation was done. Please provide guidance on handling of Medicare Part D subsidy (e.g., included or excluded in insurance costs) plus include guidance on how Medicare Part B reimbursements are handled for employees and dependents. Please confirm if assets are being established in an OPEB trust, and if so, then please provide balances and contributions to the trust during the year.

If any questions pertaining, then please contact Michael Frank at (914) 933-0063 or [michael.frank@aquariuscapital.com](mailto:michael.frank@aquariuscapital.com).