



LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

November 14, 2017

David Sutz, Supervisor
Members of the Town Board
Town of Woodbury
511 Route 32
Highland Mills, NY 10930

Dear Supervisor Sutz and Members of the Town Board

The Objective and Scope of the Engagement

You have requested that we prepare the financial statements of the Town of Woodbury “the Town”, which comprise the Balance Sheet- Regulatory Basis as of December 31, 2017 and the related statements of Excess (Deficiency) of Revenues Over Expenditures- Regulatory Basis and Budget Comparison- Regulatory Basis including the related footnotes for the year then ended and perform a compilation engagement with respect to those financial statements. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

Our Responsibilities

The objective of our engagement is to:

1. Prepare financial statements in accordance with the basis of accounting required by the New York State Comptroller’s Office and described in the Uniform System of Accountants published by that office “Regulatory Basis” based on information provided by you; and
2. Apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with Regulatory Basis.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services

Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence and due care. We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Our services under this arrangement letter do not include services for tax return preparation, tax advice or representation in any tax matter. Nevertheless, we may discuss with you certain tax considerations or provide you with tax information that may be relevant to our services. Any such discussions or information would be based upon limited tax research, limited due diligence and limited analysis regarding the underlying facts. Because additional research or a more complete review of the facts could affect our analysis and conclusions, the information provided during these discussions should not be used as the basis for proceeding with any transaction or any tax return reporting.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with Regulatory Basis and assist you in the presentation of the financial statements in accordance with Regulatory Basis. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of Regulatory Basis as the financial reporting framework to be applied in the preparation of the financial statements;
2. The preparation and fair presentation of financial statements in accordance with Regulatory Basis;
3. The design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements;
4. The prevention and detection of fraud;
5. To ensure that the entity complies with the laws and regulations applicable to its activities;
6. The accuracy and completeness of the records, documents, explanations and other information, including significant judgments, you provide to us for the engagement; and

7. To provide us with:
 - a. Access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
 - b. Additional information that we may request from you for the purpose of the compilation engagement; and
 - c. Unrestricted access to persons within the entity of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge and experience to oversee our preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Because RBT CPAs, LLP will rely on the Town and its management to discharge the foregoing responsibilities, the Town holds harmless and releases RBT CPAs, LLP and its partners and employees from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Town's management that has caused, in any respect, RBT CPAs, LLP's breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

Records and Assistance

If circumstances relating to the conditions of your records were to arise during the course of our work which in our professional judgment prevent us from completing the engagement, we will notify you promptly. In such a situation, we retain the unilateral right to take any course of action permitted by professional standards, including withdrawal from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the Town's books and records. The Town will determine that all such data, if necessary, will be so reflected. Accordingly, the Town will not expect us to maintain copies of such records in our possession.

In connection with our compilation, we may perform bookkeeping and/or accounting services. You agree to designate an appropriate individual to oversee the services, make all management decisions involved in those services, evaluate the adequacy and results of the services, and accept responsibility for the results of the services.

Other Relevant Information

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In addition, we may utilize financial information you have provided to us in connection

with this engagement for purposes of creating benchmarking data to be used by RBT CPAs, LLP professionals and other clients. This benchmarking data is aggregated with data from a minimum of five other entities so that users of the data are unable to associate the data with any single entity in the database.

Fees, Costs, and Access to Workpapers

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement. Our fee is estimated to amount to \$9,000 to \$11,000 and timely completion of our work which is based upon the following criteria:

8. Anticipated cooperation from Town personnel
9. Timely responses to our inquiries
10. Timely completion and delivery of client assistance requests
11. Timely communication of all significant accounting and financial reporting matters
12. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, or if bookkeeping and/or accounting services are provided, then fees would increase. Billings will be submitted as work progresses billings are due upon submission.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, the Town agrees it will compensate RBT CPAs, LLP for any additional costs incurred as a result of the Town's employment of a partner or professional employee of RBT CPAs, LLP.

In the event we are requested or authorized by the Town or are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Town, the Town will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The Town agrees that it will not include our reports, or otherwise make reference to us, in any public or private securities or debt offering.

Claim Resolution

The Town and RBT CPAs, LLP agree that no claim arising out of services rendered pursuant to this agreement shall be filed more than two years after the date of the compilation report issued by RBT CPAs, LLP or the date of this arrangement letter if no report has been issued more than two years after the date of this arrangement letter. The Town waives any claim for punitive damages. RBT CPAs, LLP's liability for all claims, damages and costs of the Town arising from this engagement is limited to the amount of fees paid by the Town to RBT CPAs, LLP for the services rendered under this arrangement letter.

If any term or provision of this agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Our Report

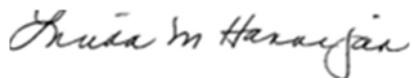
As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion or a conclusion nor provide any assurance on them. We will disclose that we are not independent in our report.

You agree to include our accountant's compilation report in any document containing financial statements that indicates we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, ask our permission to do so.

This letter constitutes the complete and exclusive statement of agreement between RBT CPAs, LLP and Town of Woodbury, superseding all proposals, oral or written, and all other communications with respect to the terms of the engagement between the parties.

Please sign and return a copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our engagement to prepare the financial statements described herein and to perform a compilation engagement with respect to those same financial statements and our respective responsibilities.

RBT CPAs, LLP



Linda Hannigan, CPA
Director

Confirmed on behalf of Town of Woodbury:

Supervisor

Date