

TOWN OF HAVERSTRAW

AUDIT REPORT

DECEMBER 31, 2012

TOWN OF HAVERSTRAW
TABLE OF CONTENTS

PAGE

OPINIONS

Independent Auditor's Report	1-3
Independent Auditor's Report on Compliance and on Internal Controls over Financial Reporting	4-5
<u>Management's Discussion and Analysis</u>	6-15

BASIC FINANCIAL STATEMENTS

Town-wide Financial Statements

Statement of Net Position	16
Statement of Activities	17-18

Fund Financial Statements

Balance Sheet – Governmental Funds	19
Reconciliation of Governmental Funds Balance Sheet to the Government-wide Statement of Net Position – Governmental Assets	20
Statement of Revenues, Expenditures and Changes in Fund Equity – Governmental Funds	21
Reconciliation of Governmental Funds Revenues, Expenditures and Changes in Fund Equity to the Statement of Activities	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	23
Statement of Fiduciary Net Assets	24
Statement of Changes in Fiduciary Net Assets	25

Notes to Financial Statements	26-47
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Supplemental Schedules:

General Fund

Balance Sheets	48
Statement of Revenues, Expenditures and Changes in Fund Balance	49

TOWN OF HAVERSTRAW
TABLE OF CONTENTS

(Continued)

Capital Projects Fund

Comparative Balance Sheet	50
Comparative Statements of Revenue, Expenditures and Changes in Fund Balance	50

Debt Service Fund

Comparative Balance Sheet	51
Comparative Statements of Revenue, Expenditures and Changes in Fund Balance	51

Other Governmental Funds

Combining Balance Sheets	52-53
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	54-55
General Fund Town Outside Villages - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	56
Highway Fund Townwide (DA) - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	57
Highway Fund Town Outside Village (DB) - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	57
Special District Fund - Sewer - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	58
Special District Fund - Sanitation - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	58
Special District Fund - Lighting - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	59
Special District Fund - Water - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	59
Special District Fund - Ambulance - Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	60
Special District Fund – Urban Renewal Agency Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget	60

TOWN OF HAVERSTRAW
TABLE OF CONTENTS

(Continued)

Analysis of Capital Projects Fund Balance by Project	61-62
Schedule of Funding Progress and Employer Contributions	63
Report on Supplemental Schedules	64
Town Justice - Cash Receipts and Disbursements	65-66

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INDEPENDENT AUDITORS' REPORT

To the Honorable Supervisor and
Town Board of the Town of Haverstraw, New York:

We have audited the accompanying financial statements of the government activities, each major fund and the aggregate remaining fund information of the Town of Haverstraw, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, each major fund and the aggregate remaining fund information of the Town of Haverstraw as of December 31, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 6-15 and 48-65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Haverstraw's basic financial statements. The introductory section, combining and individual nonmajor fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to

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the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Korn Rosenbaum LLP
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July 23, 2013

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

To the Honorable Supervisor and
Town Board of the Town of Haverstraw, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Haverstraw as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Town of Haverstraw's basic financial statements, and have issued our report thereon dated July 23, 2013.

Internal Control Over Financial Reporting

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

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



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

Compliance and Other Matters

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

Purpose of the report

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


Korn Rosenbaum LLP

July 23, 2013

Town of Haverstraw
Management's Discussion and Analysis (MD&A)
December 31, 2012

Introduction

The following discussion and analysis of the Town of Haverstraw's financial statements provides an overview of the financial activities of the Town for the fiscal year ended December 31, 2012. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

The Town has implemented Government Accounting Standards Board (GASB) Statement 54 entitled "Fund Balance Reporting and Governmental Fund Type Definitions". Statement 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: **nonspendable, restricted, committed, assigned and unassigned**. These changes were made to bring greater clarity and consistency to fund balance reporting. A detailed description of each new fund balance classification is included in the notes to the financial statements.

Statement 54 requires the Town to focus on the constraints imposed upon resources when reporting fund balance in governmental funds. The classifications serve to inform readers of the financial statements of the extent to which the government is bound to honor constraints on the specific purposes for which resources in a fund can be spent.

Prior year fund balance classifications have been restated to conform with current year presentation for comparative purposes.

Financial Highlights

The Town's Statement of Net Position consisted of:

	<u>For years ended</u>	
	<u>12/31/12</u>	<u>12/31/11</u>
Total Assets	\$40,799,924	\$ 40,944,818
Total Liabilities	<u>62,468,770</u>	<u>60,789,370</u>
Total Net Position	<u>\$(21,668,846)</u>	<u>\$(19,844,552)</u>

Total Assets decreased \$144,894 for the year ended December 31, 2012 as compared to the prior year and was primarily due to:

- Demand deposits decreased approximately \$417,976 as explained later in the MD&A certain revenues exceeded original budgeted amounts and certain expenditures exceeded original budgeted amounts.
- Accounts receivable increased approximately \$181,410 as compared to the prior year.
- Capital Assets decreased by \$2,904 as compared to the prior year.
- Prepaid Expenses reflected a net increase of \$94,576 as compared to the prior year.

Total Liabilities increased \$1,679,400 for the year ended December 31, 2012 as compared to the prior year. The net increase was attributable to an increase in the Town's GASB 45, Other Post Retirement Benefits (OPEB) net obligation in the amount of \$3,600,530. Principal on debt of \$1,375,000 as well as one year's amortization on the landfill closure monitoring costs in the amount of \$293,665 reduced liabilities by \$1,668,665. There was a decrease of \$1,207,000 in BAN's payable. The remaining liabilities increased by \$954,535, of which \$499,554 was attributable to accruals for community college charge backs and election costs passed through from Rockland County.

Net Position balance consisted of:

	<u>For years ended</u>	
	<u>12/31/12</u>	<u>12/31/11</u>
Net Investment in Capital Assets	\$ 16,697,812	\$ 16,136,563
Restricted for various purposes	3,099,534	3,576,261
Unrestricted surplus (deficit)	<u>(41,466,192)</u>	<u>(39,557,376)</u>
Total Net Position	<u>\$(21,668,846)</u>	<u>\$(19,844,552)</u>

Total Net Position decreased by approximately \$1,824,294 and consisted of:

- Investment in Capital Assets, net of related debt increased approximately \$561,249 for the year.
- Net Position Restricted for various purposes decreased approximately \$476,727.
- Unrestricted (deficit) increased approximately \$1,908,816. The increase was attributable to the Town of Haverstraw's GASB 45 Other Post retirement Benefits (OPEB) with a net cost of \$3,600,530. The increase was partially offset by \$1,000,000 of principal reduction on the tax certiorari BAN.

Governmental Fund Balances

The Town's Governmental Fund Balances reflected the following unappropriated surpluses or (deficits). A comparison of surplus (exclusive of appropriations for subsequent years budgeted) with the prior year is as follows:

	<u>For years ended</u>	
	<u>12/31/12</u>	<u>12/31/11</u>
Major Funds:		
General Fund	\$ 6,191,756	\$ 5,979,558
Capital Projects Fund	\$ 148,418	\$ 218,176
Non-major Funds	\$ 2,552,012	\$ 2,773,158

Overview of the Financial Statements

The Town's financial statements are comprised of this Management Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis is intended to serve as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements report information about the Town as a whole using accounting methods similar to private-sector companies. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to finance Town programs, are excluded from these statements.

The Statement of Net Position presents the Town's total assets and liabilities with the difference reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected assessments and earned but unused compensated absences). The focus of this statement is on the net cost of providing various services to the citizens of the Town.

The governmental activities reflected in this section are general government support, public safety, health and sanitation, transportation, economic assistance and opportunity, culture and recreation, home and community services, and general repairs and maintenance. These activities are principally supported by real property taxes, non-property taxes, charges for services, and operating grants and contributions.

The government-wide financial statements include, not only the Town itself, (known as the primary government), but also a legally separate housing entity for which the Town is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled and to ensure and demonstrate compliance with legal requirements.

Most of the basic services provided by the Town are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the Town's requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the Town's current financing decisions. Both the government fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town's major funds include the General and Capital Projects funds and are presented separately in the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances. Data for all other governmental funds are combined into a single, aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its governmental funds except Capital Projects. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the Town. The fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the activities of the Town.

The fiduciary fund financial statements can be found in the basic financial statements section of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found elsewhere in this report.

Statement of Net Position

Net position may serve over time a useful indicator of a government financial position. Assets of \$40,799,924 were exceeded by liabilities by \$21,668,846 for the year ended December 31, 2012.

The largest component of the Town's assets is invested in capital assets of \$22,910,061, net of accumulated depreciation. Related debt of \$6,212,249 used to acquire those assets is still outstanding. The Town uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net assets of \$3,099,534 represent resources that are subject to external restrictions on how they may be used. \$2,552,012 represents the unappropriated fund balances of the Town's special revenue funds, which are legally mandated to be kept separately. Other restrictions include funds to be used for the purchase of police department equipment and training, capital project and the payment of unemployment reimbursements.

The remaining portion of net assets is classified as unrestricted surplus (deficit) and includes uncapitalized landfill closure debt of approximately \$4,660,000 and post-closure care costs of \$5,873,300, recorded in accordance with GASB Statement No. 18 Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs (MSWFL). Prior to its effective implementation date of March of 1996, the Town's MSWFL no longer accepted solid waste. The landfill closure serial bonds were refunded by the New York State Environmental Facilities Corporation in 2012. The refunding is expected to result in over \$300,000 of interest saving over the bonds remaining life. Such loans have historically provided subsidy earnings to offset debt service interest by approximately 50%. The post-closure care costs accrual represents the estimated costs for maintaining and monitoring the landfill for the next 20 years. The project has been closed and expenditures are being made from the general fund and will be funded by future tax levies.

This is the fourth year that the Town is required to implement GASB 45 and report on the Town's Other Post Employment Benefits (OPEB) other than pensions. These are primarily health benefits earned by the employees during their years of service and paid to Town employees after they retire and have met certain contractual criteria. Previously these benefits were paid on a "pay-as you-go" basis. In that the Town would only recognize the current year expense for its retirees.

GASB 45 requires the Town to have an actuarial study done to ascertain the expected cost to the Town for paying a portion of the retiree's health insurance over the life of its employees. This actuarial study included current retirees and active employees who have already earned this benefit and for active employees with the actuarial assumptions as to when they would qualify for such benefit. According to the actuarial study it will cost the Town \$47.2 million to fully fund all benefits for retirees and current employees who have already earned this benefit as of December 31, 2012.

The Town is required to report the "Annual Required Contribution" related to the above costs which totaled \$4,404,470 less contribution made of \$803,940 equaling the net increase in OPEB obligation of \$3,600,530. This is the normal OPEB cost for the current year which includes future benefits being earned by current employees and the amortization of the unfunded accrued liability (benefits already earned by retirees and current employees but not yet provided for). That plus the opening balance of \$10,662,862 totals \$14,263,392 for the year ended December 31, 2012. Currently there is no mechanism in New York State to fund these future costs.

In summary, the unrestricted surplus (deficit) consists of:

Unrestricted surplus (deficit)	\$(16,669,500)
Unrestricted (deficit – per GASB No. 45	(14,263,392)
Unrestricted (deficit) – per GASB No. 18	<u>(10,533,300)</u>
Net Unrestricted surplus (deficit)	<u><u>\$(41,466,192)</u></u>

Other Information - Additional statements and schedules can be found immediately following the notes to the financial statements. These include the combining statements for the nonmajor governmental funds and schedules of budget to actual comparisons.

Statement of Activities

Governmental activities decreased the Town's net assets by \$1,824,294. For the year ended December 31, 2012, program revenues from governmental activities totaled \$7,464,778 and were primarily from charges for services (user fees) for Culture and Recreation and Home and Community Services. Total general revenues amounted to \$28,687,447 and were primarily from taxes levied for general purposes and non-property taxes, which included mortgage tax and sales tax revenues.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town governmental funds reported a combined ending fund balance of \$11,816,388, a decrease of \$354,012, in comparison with the prior year. Of the total combined fund balance, \$6,191,756 constitutes surplus fund balance in the general fund. \$2,405,000 which has been designated for subsequent year’s expenditures and represents the amount estimated for use in the 2013 budget for all funds. The following amounts listed as assigned are for encumbrances in the General and Highway Townwide Funds, respectively \$118,3761 and \$1,722. The remainder of the fund balance is restricted to indicate that its use is limited as follows; \$2,552,012 for special revenue funds, \$148,418 for Capital Projects, \$238,827 to reimburse NYS for unemployment claims, \$42,798 for the development of parklands, \$103,974 for expenditures under the seized and forfeited property program and \$13,505 for debt redemption.

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was \$8,309,236, of which \$6,191,756 was unassigned and not appropriated for subsequent years budgeted.

Total Revenue and Transfers of \$26,741,683 exceeded original budget of \$24,498,600 by \$2,243,083, and was primarily due to an increase of approximately \$1,045,744 in departmental income and other tax items, interfund transfer from the ambulance fund of \$375,000, an increase in federal aid of \$344,431 and the remaining various income accounts had exceeded the budgeted amounts by approximately \$477,908.

Total Expenditures and Transfers were \$26,802,313 as compared with original budget of \$26,298,600. The total unfavorable variance of \$503,713 was primarily attributable to Police costs being \$317,704 more than what was originally budgeted due to an increase of overtime and other Police expenditures. Also, there was a first time expense from the County of Rockland for College Tuition Chargebacks in the amount of \$178,684. All other expenditures had a net unfavorable variance totaling \$7,325.

The **Capital Projects Fund** is used to account for capital project activity throughout the Town. The Capital Projects Fund's ending fund balance was \$148,418 for fiscal year 2012 as compared to \$218,176 for the prior year.

Nonmajor Governmental Funds consist of the Special Revenue Funds. The Special Revenue funds are made up of the following individual funds: Town Outside Village, Highway Townwide, Highway Outside Villages, Sewer, Sanitation, Lighting, Ambulance, Water and Urban Renewal Funds. For the fiscal year ending December 31, 2012, the combined fund balance of these funds totaled \$3,358,734, which represents a decrease of \$223,624 from the prior year.

Unappropriated funds consisted of:

	<u>For years ended</u>	
	<u>12/31/12</u>	<u>12/31/11</u>
General Fund Town Outside Village	\$1,022,749	\$ 917,971
Highway Townwide	1,045,512	895,660
Highway Outside Villages	722,507	457,507
Special Districts Funds:		
Sewer	707,242	810,725
Sanitation	72,246	72,626
Lighting	28,173	30,483
Ambulance	970,404	1,317,509
Water	21,513	8,724
Urban Renewal	<u>(2,038,334)</u>	<u>(1,738,047)</u>
	<u>\$2,552,012</u>	<u>\$ 2,773,158</u>

The net decrease of \$221,146 was substantially due to:

The Town Outside Village Fund's 2012 original budget reflected utilization of \$100,000 surplus, whereas actual results required no monies to be used in 2012. The actual result was an increase of \$204,778. The improvement was due to various expenditure spending that was less than originally budgeted by \$216,156 and actual revenues exceeding budgeted amounts by \$88,622.

The Highway Fund Townwide Fund's 2012 original budget reflected utilization of a \$150,000 surplus, whereas actual results required no monies to be used in 2012. The actual result was an increase of \$147,374. The improvement was due to actual expenditures being \$297,451 less than the original budget and actual revenues were less than budgeted revenues by \$77.

The Highway Town Outside Village Fund's reflected an increase of \$165,000 in fund balance. The original budget reflected utilization of \$200,000 surplus. This increase was primarily due to an increase in Federal and State Aid of \$283,695 above budgeted revenues due to Hurricane Sandy.

The Special District Sewer Fund's reflected a decrease of \$103,483. The fund was supposed to use \$150,000 of surplus, whereas actual results did show the usage of surplus of only the \$103,483 stated above due to actual expenditures were less than originally budgeted.

The Special District Ambulance Fund reflected a decrease of \$347,105 in its fund balance. The decrease was mainly attributable to a transfer to the General Fund for reimbursement of \$375,000 for funding part of the renovation project for the Ambulance Building. The surplus generated from this departmental income is appropriated for subsequent budgets (i.e. the unappropriated surplus as of December 31, 2012 will substantially be appropriated for the 2013 corps budget).

The Special District Urban Renewal Fund has a current deficit of (\$2,038,334) in the fund balance as of December 31, 2012. This deficit represents expenditures attributable to the Letchworth Property that the Town purchased from the State of New York as excess property. During 2012, the Town Of Haverstraw paid down the Urban Renewal Bond of approximately \$300,000, which increased the deficit from the prior year. The Town had selected a developer, WCI Communities Inc, to develop the Letchworth property. The Town and WCI developed a site plan with SEQRA approvals for a 55 and up age restricted community. In early 2008 WCI defaulted on the contract and the Town was able to keep a \$500,000 deposit on the sale of the property. These funds were used to decrease the deficit in the Urban Renewal Fund in 2008. The Town now has a site plan which they will go out in the near future to solicit new proposals from developers. The proceeds from the sale of the Letchworth property will exceed the deficit in the Urban renewal Fund.

Capital Asset and Debt Administration

Capital Assets – The Town's investment in capital assets for its governmental activities as of December 31, 2012, amounts to \$22,910,061, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

Additional information on the Town's capital assets can be found in Note B of IV. Detail Notes On All Funds.

Short-Term Debt - At the end of the current fiscal year the Town's short-term debt outstanding was \$1,293,000. All of this debt is backed by the full faith and credit of the Town.

Long-term Debt – At the end of the current fiscal year, the Town had total debt outstanding of \$38,205,000. All of this debt is backed by the full faith and credit of the Town. Other long-term liabilities included \$5,873,300 for sanitary landfill post-closure costs, \$62,249 for installment purchase debt and \$810,627 for compensated absences. In addition, net OPEB obligations were \$14,263,392.

Through sound financial management and manageable debt levels, the Town has been successful in maintaining its high-grade rating for its general obligation bonds. In February of 2012, Moody's Investors service has affirmed the Town's Aa3 underlying long term rating. The Aa3 rating reflects that the Town's strong financial position will remain healthy despite plans to draw down reserves to sustainable levels. The rating additionally factors the Town's sizable tax base which offsets above-average taxpayer concentration and a significantly elevated overall debt burden.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the Town may incur. The State Constitution provides that the Town may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the Town for the most recent five years. Certain indebtedness is excluded in ascertaining the Town's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Town's authority to issue debt subject to the limit. At December 31, 2012, the Town of Haverstraw had used \$39,498,000 or 15.75% of its constitutional debt limit.

Additional information on the Town's debt can be found in Note IV parts C and D.

Request for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town of Haverstraw, One Rosman Road, Garnerville, New York 10923. The telephone number is (845) 429-2200.

TOWN OF HAVERSTRAW
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	<u>Primary Government</u>
<u>ASSETS</u>	
Unrestricted Cash	\$ 10,541,024
Restricted Cash	399,104
Accounts Receivable	6,158,345
Prepaid Expenses	791,390
Due From Agency Funds	-
Capital Assets, not being depreciated	7,705,308
Capital Assets (net)	<u>15,204,753</u>
<u>TOTAL ASSETS</u>	<u>\$ 40,799,924</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 938,822
Bond Premium	358,661
Accrued Interest Payable	655,727
Bond Anticipation Notes	1,293,000
Deferred Revenue	7,901
Due to Other Governments	91
Noncurrent liabilities:	
Due within one year	3,110,190
Due in more than one year	<u>56,104,378</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 62,468,770</u>
<u>NET POSITION</u>	
Investment in Capital Assets, net of related debt	\$ 16,697,812
Restricted for:	
Special Districts	2,552,012
Capital Project	148,418
Seized and Forfeited Property	103,974
Unemployment Claims	238,827
Parklands	42,798
Debt Redemption	13,505
Unrestricted surplus (deficit)	<u>(41,466,192)</u>
<u>TOTAL NET POSITION</u>	<u>\$ (21,668,846)</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Program Revenue			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<u>FUNCTIONS/PROGRAMS</u>				
Primary Government:				
Governmental Activities:				
General Support	\$ 5,279,336	\$ 749,376	\$ 8,081	\$ -
Education	178,684	-	-	-
Public Safety	18,213,471	434,630	219,279	-
Health	1,197,307	988,175	-	-
Transportation	3,579,858	104,796	336,573	48,059
Economic Assistance and Opportunity	134,142	-	-	-
Culture and Recreation	3,783,772	1,645,972	170,770	200,551
Home and Community Services	3,742,755	2,455,746	102,770	-
Debt Service	886,958	-	-	-
Depreciation - unallocated	980,236	-	-	-
<u>Total Primary Government</u>	<u>\$ 37,976,519</u>	<u>\$ 6,378,695</u>	<u>\$ 837,473</u>	<u>\$ 248,610</u>

GENERAL REVENUES

Taxes:

Property taxes, levied for general purposes

Other Tax Items

Rental of Real Property

Grants and contributions not restricted to specific programs

Investment Earnings

Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET ASSETS

Total Net Assets - Beginning of Year

Total Net Assets - End of Year

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and
Changes in Net Assets

Primary
Government

\$ (4,521,879)
 (178,684)
 (17,559,562)
 (209,132)
 (3,090,430)
 (134,142)
 (1,766,479)
 (1,184,239)
 (886,958)
 (980,236)
\$ (30,511,741)

\$ 25,815,694
 1,390,322
 478,493
 460,772
 33,695
508,471

\$ 28,687,447

 (1,824,294)

(19,844,552)

\$ (21,668,846)

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
BALANCE SHEET - GOVERNMENT FUNDS
AS OF DECEMBER 31, 2012

	<u>General Fund</u> <u>Townwide</u>	<u>Capital</u> <u>Project Fund</u>	<u>Debt Service</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<u>ASSETS</u>					
<u>CASH</u>					
Demand Deposits	\$ 4,965,967	\$ 455,486	\$ -	\$ 5,119,421	\$ 10,540,874
Restricted Deposits	399,104	-	-	-	399,104
Departmental Petty Cash	150	-	-	-	150
<u>TOTAL CASH</u>	<u>\$ 5,365,221</u>	<u>\$ 455,486</u>	<u>\$ -</u>	<u>\$ 5,119,421</u>	<u>\$ 10,940,128</u>
<u>RECEIVABLES</u>					
Accounts Receivable	\$ 850,902	\$ 190,000	\$ -	\$ 1,642,443	\$ 2,683,345
Due from Agency Funds	-	-	-	-	-
Due from Other Funds	2,454,805	-	-	-	2,454,805
<u>TOTAL RECEIVABLES</u>	<u>\$ 3,305,707</u>	<u>\$ 190,000</u>	<u>\$ -</u>	<u>\$ 1,642,443</u>	<u>\$ 5,138,150</u>
<u>OTHER ASSETS</u>					
Prepaid Expenditures	\$ 716,279	\$ -	\$ -	\$ 75,111	\$ 791,390
<u>TOTAL OTHER ASSETS</u>	<u>\$ 716,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,111</u>	<u>\$ 791,390</u>
<u>TOTAL ASSETS</u>	<u>\$ 9,387,207</u>	<u>\$ 645,486</u>	<u>\$ -</u>	<u>\$ 6,836,975</u>	<u>\$ 16,869,668</u>
<u>LIABILITIES & FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ 711,318	\$ 82,967	\$ -	\$ 144,537	\$ 938,822
Bond Premium	358,661	-	-	-	358,661
Deferred Revenue	7,901	-	-	-	7,901
Bond Anticipation Notes	-	-	-	1,293,000	1,293,000
Due to Other Governments	91	-	-	-	91
Due to Other Funds	-	414,101	-	2,040,704	2,454,805
<u>TOTAL LIABILITIES</u>	<u>\$ 1,077,971</u>	<u>\$ 497,068</u>	<u>\$ -</u>	<u>\$ 3,478,241</u>	<u>\$ 5,053,280</u>
<u>FUND BALANCE</u>					
<u>Restricted for:</u>					
Special Districts	\$ -	\$ -	\$ -	\$ 2,552,012	\$ 2,552,012
Capital Project	-	148,418	-	-	148,418
Seized and Forfeited Property	103,974	-	-	-	103,974
Unemployment Claims	238,827	-	-	-	238,827
Parklands	42,798	-	-	-	42,798
Debt Redemption	13,505	-	-	-	13,505
<u>Assigned to:</u>					
Public Safety	118,376	-	-	-	118,376
Transportation	-	-	-	1,722	1,722
Subsequent Years Budget	1,600,000	-	-	805,000	2,405,000
<u>Unassigned:</u>	<u>6,191,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,191,756</u>
<u>TOTAL FUND BALANCES</u>	<u>\$ 8,309,236</u>	<u>\$ 148,418</u>	<u>\$ -</u>	<u>\$ 3,358,734</u>	<u>\$ 11,816,388</u>
<u>TOTAL LIABILITIES AND FUND</u>					
<u>BALANCES</u>	<u>\$ 9,387,207</u>	<u>\$ 645,486</u>	<u>\$ -</u>	<u>\$ 6,836,975</u>	<u>\$ 16,869,668</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT WIDE STATEMENT OF NET ASSETS - GOVERNMENT ACTIVITIES
DECEMBER 31, 2012

Amounts Reported for the Governmental Activities are Different Because:

Fund Balances - Total Government Funds	\$	11,816,388
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		22,910,061
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		3,475,000
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable		(38,205,000)
Sanitary landfill postclosure costs		(5,873,300)
Installment Purchase Debt		(62,249)
Compensated absences		(810,627)
Other Post Employment Benefits		(14,263,392)
Accrued interest payable		<u>(655,727)</u>
Net Assets of Governmental Activities	\$	<u>(21,668,846)</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>General Fund</u> <u>Townwide</u>	<u>Capital</u> <u>Project Fund</u>	<u>Debt Service</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Real Property Taxes	\$ 20,101,558	\$ -	\$ -	\$ 5,714,136	\$ 25,815,694
Other Tax Items	1,390,322	-	-	-	1,390,322
Departmental Income	2,897,422	-	-	3,258,679	6,156,101
Use of Money and Property	508,767	-	-	13,421	522,188
Licenses and Permits	31,915	-	-	-	31,915
Fines and Forfeitures	133,711	-	-	-	133,711
Intergovernmental Income	-	-	-	622,679	622,679
Sale of Property and Compensation for Loss	61,669	-	-	11,188	72,857
Miscellaneous	289,059	-	-	27,625	316,684
Federal Aid	354,431	190,000	-	297,679	842,110
State Aid	517,665	58,610	-	143,470	719,745
<u>TOTAL REVENUES</u>	<u>\$ 26,286,519</u>	<u>\$ 248,610</u>	<u>\$ -</u>	<u>\$ 10,088,877</u>	<u>\$ 36,624,006</u>
EXPENDITURES					
General Government Support	\$ 3,530,650	\$ -	\$ -	\$ 76,791	\$ 3,607,441
Education	178,684	-	-	-	178,684
Public Safety	10,793,704	-	-	268,590	11,062,294
Health	20,000	-	-	1,177,307	1,197,307
Transportation	183,122	-	-	3,156,408	3,339,530
Economic Assistance Opportunity	134,142	-	-	-	134,142
Culture and Recreation	2,560,189	-	-	223,199	2,783,388
Capital Project Expenditures	-	590,204	-	-	590,204
Home and Community Services	257,180	-	-	3,703,768	3,960,948
Employee Benefits	6,636,163	-	-	295,244	6,931,407
Debt Service	2,206,317	-	4,714,403	986,356	7,907,076
<u>TOTAL EXPENDITURES</u>	<u>\$ 26,500,151</u>	<u>\$ 590,204</u>	<u>\$ 4,714,403</u>	<u>\$ 9,887,663</u>	<u>\$ 41,692,421</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (213,632)	\$ (341,594)	\$ (4,714,403)	\$ 201,214	\$ (5,068,415)
OTHER FINANCING SOURCES (USES)					
Proceeds From:					
Proceeds From Debt	\$ -	\$ -	\$ 4,714,403	\$ -	\$ 4,714,403
Operating Transfers In	455,164	352,000	-	2,162	809,326
Operating Transfers Out	(302,162)	(80,164)	-	(427,000)	\$ (809,326)
<u>TOTAL OTHER FINANCING</u> <u>SOURCES (USES)</u>	<u>\$ 153,002</u>	<u>\$ 271,836</u>	<u>\$ 4,714,403</u>	<u>\$ (424,838)</u>	<u>\$ 4,714,403</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (60,630)	\$ (69,758)	\$ -	\$ (223,624)	\$ (354,012)
Fund Balance at Beginning of Year	8,369,866	218,176	-	3,582,358	12,170,400
Fund Balance at End of Year	<u>\$ 8,309,236</u>	<u>\$ 148,418</u>	<u>\$ -</u>	<u>\$ 3,358,734</u>	<u>\$ 11,816,388</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND
CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES - GOVERNMENT ACTIVITIES
DECEMBER 31, 2012

Amounts Reported for the Governmental Activities are Different Because:

Net Changes in Fund Balances - Total Government Funds \$ (354,012)

Governmental fund report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Governmental funds also report the gross proceeds from the sale of capital assets in revenues. In the statement of net activities only the gain or loss from the disposal of the asset is reported. These are the amounts by which capital outlay exceeded depreciation and the gain or loss on the disposal.

Capital outlay expenditures	992,113
Depreciation	(980,236)
Proceeds from sales	(6,916)
Loss on Disposal of Assets	(7,865)
	<u>(2,904)</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Debt Service Revenue - Other Governments	(432,000)
Mortgage tax	(15,000)
Rental Income	(10,000)
	<u>(457,000)</u>

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal paid on bonds	2,582,000
Principal paid on installment debt	19,153
	<u>2,601,153</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Landfill closure costs	293,665
Other Post Employment Benefits	(3,600,530)
Compensated absences	(28,381)
Accrued interest	(276,285)
	<u>(3,611,531)</u>

Change in Net Assets of Governmental Activities \$ (1,824,294)

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL FUND			
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>				
Real Property Taxes	\$ 20,085,600	\$ 20,085,600	\$ 20,101,558	\$ 15,958
Other Tax Items	965,000	1,165,000	1,390,322	225,322
Departmental Income	2,277,000	2,357,000	2,897,422	540,422
Intergovernmental Charges	-	-	-	-
Use of Money and Property	500,000	500,000	508,767	8,767
Licenses and Permits	20,000	20,000	31,915	11,915
Gifts and Donations	-	-	-	-
Fines and Forfeitures	90,000	90,000	133,711	43,711
Sale of Property and Compensation for Loss	1,000	31,000	61,669	30,669
Miscellaneous	50,000	260,000	289,059	29,059
Federal Aid	10,000	150,000	354,431	204,431
State Aid	500,000	500,000	517,665	17,665
<u>TOTAL REVENUES</u>	<u>\$ 24,498,600</u>	<u>\$ 25,158,600</u>	<u>\$ 26,286,519</u>	<u>\$ 1,127,919</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 2,994,000	\$ 3,705,500	\$ 3,530,650	\$ 174,850
Education	-	180,000	178,684	1,316
Public Safety	10,476,000	10,926,500	10,793,704	132,796
Health	20,100	20,100	20,000	100
Transportation	206,500	206,500	183,122	23,378
Economic Assistance Opportunity	153,500	153,500	134,142	19,358
Culture and Recreation	2,517,000	2,617,500	2,560,189	57,311
Home and Community Services	285,000	275,000	257,180	17,820
Employee Benefits	7,219,000	6,744,000	6,636,163	107,837
Debt Service	2,427,500	2,527,500	2,206,317	321,183
<u>TOTAL EXPENDITURES</u>	<u>\$ 26,298,600</u>	<u>\$ 27,356,100</u>	<u>\$ 26,500,151</u>	<u>\$ 855,949</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,800,000)	\$ (2,197,500)	\$ (213,632)	\$ 1,983,868
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From:				
Operating Transfers In	\$ -	\$ 400,000	\$ 455,164	\$ 55,164
Proceeds From Debt	-	-	-	-
Operating Transfers Out	-	(2,500)	(302,162)	(299,662)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ 397,500</u>	<u>\$ 153,002</u>	<u>\$ (244,498)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (1,800,000)	\$ (1,800,000)	\$ (60,630)	\$ 1,739,370
Fund Balance at Beginning of Year	8,369,866	8,369,866	8,369,866	-
Fund Balance at End of Year	<u>\$ 6,569,866</u>	<u>\$ 6,569,866</u>	<u>\$ 8,309,236</u>	<u>\$ 1,739,370</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2012

	<u>Agency Funds</u>
<u>ASSETS</u>	
<u>CASH</u>	
Demand Deposit	\$ 444,508
<u>TOTAL ASSETS</u>	<u>\$ 444,508</u>
 <u>LIABILITIES</u>	
<u>LIABILITIES</u>	
Escrow and Other Deposits	\$ 442,249
Due to General Fund	-
Employee Payroll Deductions	<u>2,259</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 444,508</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
DECEMBER 31, 2012

	Balance January 1, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2012</u>
<u>ASSETS</u>				
<u>CASH</u>				
Demand Deposit	\$ 447,121	\$ 50,101	\$ 52,714	\$ 444,508
<u>TOTAL ASSETS</u>	<u>\$ 447,121</u>	<u>\$ 50,101</u>	<u>\$ 52,714</u>	<u>\$ 444,508</u>
 <u>LIABILITIES</u>				
<u>LIABILITIES</u>				
Escrow and Other Deposits	\$ 446,664	\$ 80,152	\$ 84,567	\$ 442,249
Due to General Fund	-	-	-	-
Employee Payroll Deductions	<u>457</u>	<u>12,202</u>	<u>10,400</u>	<u>2,259</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 447,121</u>	<u>\$ 92,354</u>	<u>\$ 94,967</u>	<u>\$ 444,508</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Haverstraw have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. FINANCIAL REPORTING ENTITY

The Town of Haverstraw, which was established in 1666, operates pursuant to the Town Law, Local Finance Law and other general laws of the State of New York and various local laws. The Town Board, which consists of five members, including the Supervisor, is the legislative body responsible for overall operations. The Supervisor serves as chief executive officer and as chief fiscal officer. The Finance Director is the accounting officer of the Town.

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

The financial reporting entity consists of (a) the primary government which is the Town of Haverstraw, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB Statement 14, Financial Reporting Entity, as amended by GASB Statement 39, Component Units.

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

Included in the Reporting Entity

The Urban Renewal Agency is governed by the same board as the Town of Haverstraw. The agency is a component unit of the Town of Haverstraw and is presented under the blended method.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

B. BASIS OF PRESENTATION

i) Town-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the Town's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ii) Fund financial statements:

The fund statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The Town-wide and fiduciary fund (excluding the agency funds) financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 365 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, sanitary landfill postclosure costs, installment purchases, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town reports the following major governmental funds:

General Fund - the principal operating fund and includes all operations not required to be recorded in other funds.

Capital Fund - used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by an enterprise or internal service fund.

Debt Service Fund – used to account for financial resources transferred to this fund for payment of future principal and interest on long-term indebtedness.

Special Revenue Funds - used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Special Revenue Funds of the Town consist of the Town Outside Villages Fund, Highway Town Outside Village Fund, Highway Townwide Fund, Special District Funds and the Urban Renewal Fund. These funds have been established to account for the proceeds of specific revenue sources, or to finance specified activities as required by law or administrative regulation.

Additionally the Town reports the following fund type:

Fiduciary Fund: This fund is used to account for fiduciary activities. Fiduciary activities are those in which the Town acts as trustee or agent for resources that belong to others. These activities are not included in the Town-wide financial statements, because their resources do not belong to the Town, and are not available to be used.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

D. CASH AND INVESTMENTS

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments. New York State law governs the Town's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Investments are stated at fair value.

E. PROPERTY TAXES

County real property taxes are levied annually no later than January 1st. Taxes are collected during the period January 1st to April 30th. Taxes for county purposes are levied together with taxes for Town and special district purposes as a single bill. The Town and special districts receive the full amount of their levies annually out of the enforcement responsibility for all taxes levied in the Town and for unpaid taxes. Any such taxes remaining unpaid at year-end are relieved as county taxes in the subsequent year.

F. ACCOUNTS RECEIVABLE

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

G. INVENTORY AND PREPAID ITEMS

There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase, and year-end balances at these locations were not available. Prepaid items represent payments made by the Town for which benefits extend beyond year-end.

H. DUE TO/FROM OTHER FUNDS

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types. Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these Notes.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

I. CAPITAL ASSETS

Capital assets are defined by the Town as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Capital assets of the primary government, as well as the component unit, are depreciated using the straight line method over the following estimated useful lives:

<u>Class</u>	<u>Life in Years</u>
Buildings & Improvements	20-50
Land improvements	20
Furniture & Equipment	5-20
Motor Equipment	8
Infrastructure	10-65

J. VESTED EMPLOYEE BENEFITS

Town employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts.

Upon retirement, resignation or death, employees may receive a payment for unused accumulated sick leave, based on contractual provisions.

Consistent with GASB Statement 16, Accounting for Compensated Absences, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year-end.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Town employees participate in the New York State Employees' Retirement System and the New York State Local Police and Fire Retirement System.

In addition to providing pension benefits, the Town provides health insurance coverage and survivor benefits for retired employees and their survivors. Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid.

K. DEFERRED REVENUE

Deferred revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to the resources, the liability for deferred revenues is removed and revenues are recorded.

L. INSURANCE

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

M. EQUITY CLASSIFICATIONS

Town-wide statements

In the town-wide statements there are three classes of net position:

Invested in capital assets, net of related debt – consists of net assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets.

Restricted net position – reports constraints placed on the assets that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Unrestricted net position – reports all other net assets that do not meet the definition of the above two classifications and are deemed to be available for general use by the Town.

Fund Statements

In the fund basis statements there are five classifications of fund balance:

Non-spendable fund balance includes amount that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted fund balance includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The Town has established the following restricted fund balances:

Seized and Forfeited Property - This restriction is accounted for in the General Fund.

Unemployment Claims – This restriction is accounted for in the General Fund. This is used to pay the costs of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method.

Parklands - This restriction is accounted for in the General Fund. This is used for parkland improvements and funded from money in-lieu-of land deposits.

Debt Redemption - This restriction is accounted for in the General Fund. This is used for the retirement of debt.

Restricted fund balance includes the following:

General Fund:	
Seized and Forfeited Property	\$ 103,974
Unemployment Claims	238,827
Parklands	42,798
Debt Redemption	13,505
Capital Fund	148,418
Special Revenue Funds	<u>2,552,012</u>
 Total Restricted Funds	 <u>\$ 3,099,534</u>

Committed fund balance includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the town board. The Town has no committed fund balances as of December 31, 2012.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Assigned fund balance includes amounts that are constrained by the town's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances are classified as Assigned Fund Balance. Encumbrances are totaled \$118,376 in the General Fund and \$1,722 in the Highway Fund Townwide.

Unassigned fund balance includes all other General Fund net assets that do not meet the definition of the above four classifications and are deemed to be available for general use by the Town.

Order of Use of Fund Balance:

The Town's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

N. NEW ACCOUNTING STANDARDS

The Town has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable.

O. FUTURE CHANGES IN ACCOUNTING STANDARDS

The Town is currently studying future statements that are applicable and plans on adoption if and when required.

P. RECLASSIFICATIONS

Certain prior year data has been reclassified to conform to the current year's presentation.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

II. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND TOWN-WIDE STATEMENTS

Due to the differences in the measurement focus and the basis of accounting used in the governmental fund statements and the Town-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

1. Total fund balances of governmental funds versus net assets of governmental activities:

Total fund balances of the Town's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

2. Statement of Revenues, Expenditures and Changes in Fund Balance versus Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

- i) Long-term revenue differences:

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

- ii) Capital related differences:

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

TOWN OF HAVERSTRAW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2012

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

III. STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY

A. BUDGETARY DATA

1. Budget Procedures

The Director of Finance is responsible for the initial formulation of the budget to be presented to the Town Clerk by September 30th of each year. By October 5th, the Town Clerk must present the tentative budget to the Town Board, which then prepares the preliminary budget prior to the mandatory public hearing required to be held no later than the first Thursday after the general election of each year. Five days prior to such public hearing, notice of such public hearing must be published. Final adoption of the preliminary budget must be accomplished on or before November 20th. The budget is not subject to referendum.

The Director of Finance distributes budget estimate forms to all department heads early in August of each year and then conducts such financial analysis and review as is necessary to substantiate the budget requests. Upon completion of this review, but prior to September 30th, when the report must be filed with the Town Clerk, the entire Town Board reviews the tentative budget with each department head. This review continues as the Board prepares its preliminary budget for public hearing.

The preliminary budget is presented on a departmental basis by object of expense indicating the proposed budget, year-to-date expenses of the current budget, the departmental request and the Director of Finance's recommendation. The budgets for the sewer district, highway funds and special district funds are presented in the same manner.

The Town Board may, during the course of the year, make changes in the appropriations and other modifications of the budget as it deems necessary in accordance with the Town Law.

TOWN OF HAVERSTRAW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

2. Encumbrances

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

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

B. PROPERTY TAXES - FIRE DISTRICT

The taxes for the Fire District are levied with county real property taxes. These amounts are collected by the Town and transferred directly to the Fire District. For the year ended December 31, 2012 \$1,095,622 was collected.

IV. DETAIL NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

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

All deposits, including certificates of deposit, are carried at cost plus accrued interest and are categorized as either:

- A) Insured or collateralized with securities held by the District or by its agent in the Town's name, or
- B) Collateralized with securities held by the pledging financial institution's trust department or agency in the Town's name, or
- C) Uncollateralized.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

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

Total financial institution bank balances at year-end, per the bank, are categorized as follows:

- A) \$ 1,500,000
- B) \$ 10,088,435
- C) \$ -0-

B. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2012 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$ 7,705,308	\$ -	\$ -	\$ 7,705,308
Construction in progress	-	-	-	-
Total nondepreciable historical cost	<u>\$ 7,705,308</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,705,308</u>
Capital assets that are depreciated:				
Buildings & Improvements	\$ 11,828,313	\$ 276,602	\$ -	\$ 12,104,915
Land Improvements	5,023,144	191,957	-	5,215,101
Furniture & Equipment	2,659,892	314,156	(40,501)	2,933,547
Motor Equipment	3,018,646	77,136	(159,571)	2,936,211
Infrastructure	<u>3,872,708</u>	<u>132,262</u>	<u>-</u>	<u>4,004,970</u>
Total depreciable historical cost	<u>\$ 26,402,703</u>	<u>\$ 992,113</u>	<u>\$ (200,072)</u>	<u>\$ 27,194,744</u>
Less accumulated depreciation:				
Buildings & Improvements	\$ 4,467,036	\$ 295,676	\$ -	\$ 4,762,712
Land Improvements	2,025,994	245,578	-	2,271,572
Furniture & Equipment	1,587,365	182,474	(40,261)	1,729,578
Motor Equipment	2,468,842	131,756	(145,030)	2,455,568
Infrastructure	<u>645,809</u>	<u>124,752</u>	<u>-</u>	<u>770,561</u>
Total accumulated depreciation	<u>\$ 11,195,046</u>	<u>\$ 980,236</u>	<u>\$ (185,291)</u>	<u>\$ 11,989,991</u>
Total depreciable historical cost, net	<u>\$ 22,912,965</u>	<u>\$ 11,877</u>	<u>\$ (14,781)</u>	<u>\$ 22,910,061</u>

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

C. SHORT-TERM DEBT

Bond Anticipation Notes Payable

Liabilities for Bond Anticipation Notes (BANS) are accounted for in the General Fund and Capital Projects fund. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12 month period thereafter.

State Law requires that Bond Anticipation Notes issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, Bond Anticipation Notes issued for assessed improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

At December 31, 2012 the total short-term debt outstanding indebtedness of the Town is \$1,293,000 as follows:

<u>Project Title</u>	<u>Date of Original Issue</u>	<u>Date of Renewal</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
Sewer Project	11/08	11/09	1.3%	\$ 1,293,000

The BAN for the tax certiorari was recorded as revenue in the funds statements to match the expenditure made in settlement with Mirant.

Interest on short-term debt for the year was composed of:

Interest paid	\$ 397,539
Less interest accrued in the prior year	308,399
Plus interest accrued in the current year	<u>1,888</u>
Total expense	<u>\$ 91,028</u>

D. LONG-TERM DEBT

Serial Bonds

The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

At December 31, 2012 the total outstanding indebtedness of the Town aggregated \$39,498,000. All of this amount was subject to the constitutional debt limit and represented approximately 15.75% of the Town's debt limit.

Interest on long-term debt for the year was composed of:

Interest paid	\$	410,321
Less interest accrued in the prior year		71,043
Plus interest accrued in the current year		<u>653,839</u>
Total expense	\$	<u>993,117</u>

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Government activities:					
Bonds and notes payable:					
General obligation debt:					
Tax Certiorari	\$ -	\$ 24,280,000	\$ -	\$ 24,280,000	\$ 485,000
State Clean Water Bonds	5,265,000	-	5,265,000	-	-
State Clean Water Bonds - Sewer	1,045,000	-	80,000	965,000	80,000
State Clean Water Bonds - Sewer	2,295,000	-	145,000	2,150,000	150,000
Letchworth Property Bond	3,095,000	-	120,000	2,975,000	125,000
Refunding	3,600,000	-	425,000	3,175,000	415,000
Refunding - EFC	-	4,660,000	-	4,660,000	620,000
Total bonds & notes payable	<u>\$ 15,300,000</u>	<u>\$ 28,940,000</u>	<u>\$ 6,035,000</u>	<u>\$ 38,205,000</u>	<u>\$ 1,875,000</u>
Other liabilities:					
Sanitary Landfill Postclosure Costs	\$ 6,166,965	\$ -	\$ 293,665	\$ 5,873,300	\$ 293,665
Installment Purchase Debt	81,402	-	19,153	62,249	19,931
Other Postemployment Benefits	10,662,862	4,404,470	803,940	14,263,392	800,000
Compensated absences	782,246	258,321	229,940	810,627	121,594
Total other liabilities	<u>\$ 17,693,475</u>	<u>\$ 4,662,791</u>	<u>\$ 1,346,698</u>	<u>\$ 21,009,568</u>	<u>\$ 1,235,190</u>
Total long-term liabilities	<u>\$ 32,993,475</u>	<u>\$ 33,602,791</u>	<u>\$ 7,381,698</u>	<u>\$ 59,214,568</u>	<u>\$ 3,110,190</u>

The Town is reimbursed for payments on the sewer debt by the Joint Regional Sewerage Board. The debt is however issued in the Town's name and therefore the Town is ultimately responsible for its repayment.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

On August 26, 2012 \$4,660,000 NYS EFC State Revenue Bonds average interest rate of 2% were issued to advance refund \$4,660,000 of outstanding bonds (refunding of 2003 bonds with an average interest rate of 4.%). The net proceeds of \$4,714,403 (after payment of \$30,872 in underwriting fees, insurance and other issuance costs) were used to purchase state and local securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 7 years by \$334,855.

The following is a summary of maturity of indebtedness at December 31, 2012:

	<u>Issue</u>	<u>Maturity</u>	<u>Rate</u>	<u>Outstanding</u>
Tax Certioari	2012	3/2037	3.00-4.00	\$ 24,280,000
Letchworth Property	2008	5/2028	6.00	\$ 2,975,000
Refunding	2010	3/2020	1.50-2.50	3,175,000
				<u>\$ 30,430,000</u>

State Clean Water and Drinking Water
Revolving Funds Revenue Bonds

	<u>Date of</u>	<u>Date of</u>	<u>Interest</u>	<u>Amount</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rate</u>	<u>Outstanding</u>
Sanitary Landfill Ref.	2012	10/2016	1.03-4.42	\$ 4,660,000
Sewer Improvements	2003	7/2016	.79-4.50	\$ 965,000
Sewer Improvements	2005	7/2016	1.94-4.264	\$ 2,150,000
				<u>\$ 7,775,000</u>

<u>Maturity Year(s)</u>	<u>Bonds</u>	<u>Interest</u>	<u>Total</u>
2013	1,875,000	1,715,942	3,590,942
2014	2,180,000	1,266,695	3,446,695
2015	2,195,000	1,194,712	3,389,712
2016	2,245,000	1,119,506	3,364,506
2017	2,285,000	1,040,791	3,325,791
5 Subsequent years	8,975,000	4,041,181	13,016,181
5 Subsequent years	6,475,000	2,658,208	9,133,208
5 Subsequent years	5,655,000	1,580,875	7,235,875
5 Subsequent years	<u>6,320,000</u>	<u>581,993</u>	<u>6,901,993</u>
Total	<u>\$ 38,205,000</u>	<u>\$ 15,199,903</u>	<u>\$ 53,404,903</u>

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

The following long-term debt has been authorized but remains unissued at December 31, 2012.

Highway Equipment	\$ 150,000
Judgements & Claims	<u>4,000,000</u>
	<u>\$ 4,150,000</u>

E. PENSION PLANS

Plan Description

The Town of Haverstraw participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement Systems (PFRS). These are cost sharing multiple public employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (State Comptroller) serves as sole trustee and administrative head of the Systems.

The State Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody of control of their funds. The systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244. All benefits generally vest after five years of credited service.

Funding Policy

The Systems are noncontributory except for employees who joined the Employees' Retirement System after July 27, 1976 who contribute 3% of their salary until they have attained ten years of membership or accrued ten years of credited service. Under the authority of the NYSRSSL, the State Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund. Employee contributions are deducted by employers from employees' paychecks and are sent currently to the Employees' Retirement System.

In 2003 the New York State Legislature established a required 4.5% minimum payment. If in future years, the valuation process produces a regular employer contribution rate that is lower than 4.5%, the Retirement System will bill at the 4.5% rate. If the valuation process produces a rate that exceeds 4.5 %, then the Retirement System will bill at the higher employer contribution rate.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

The required contributions for the current year and two preceding years were:

	<u>ERS</u>	<u>PFRS</u>
2012	\$ 1,001,473	\$ 2,150,172
2011	\$ 646,207	\$ 2,017,311
2010	\$ 479,053	\$ 1,673,693

The Town of Haverstraw's contributions made to the Systems were equal to 100 percent of the contributions required for each year.

Employee Groups Covered

Nearly all Town of Haverstraw employees are eligible for membership in the systems. All employees employed in a full-time position who commenced employment after June 30, 1976 are mandatory members. The total estimated payroll for all employees of the Town of Haverstraw for fiscal year March 31, 2012 was \$14,257,398 of which \$5,073,070 was attributable to employees covered by the Employees' Retirement System and \$9,184,328 to employees covered by the Police and Fire Retirement System.

F. POST RETIREMENT BENEFITS

The premiums paid plus Medicare B reimbursement during the year was \$803,940. The premiums consisted of 13 individuals at \$419.24 per month, 1 individual at \$712.75 per month, 24 families at \$1,562.80 per month, 5 families at \$1,269.28 per month, and 16 families at \$975.77 per month.

The Town provides post employment (health insurance, life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Town's contractual agreements.

The Town implemented GASB Statement #45, Accounting and Financial Reporting by employers for Postemployment Benefits Other than Pensions. This required the Town to calculate and record a net other post-employment benefit obligation at year-end. The net other post-employment benefit obligation is basically the cumulative difference between the actuarially required contribution and the actual contributions made.

The Town recognizes the cost of providing health insurance annually as expenditures in its major and non-major Funds of the funds financial statements as payments are made. For the year ended December 31, 2012 the Town recognized \$803,940 for its share of insurance costs currently for enrolled retirees.

The Town has obtained an actuarial valuation report as of December 31, 2012 which indicates that the net OPEB obligation for other post employment benefits is \$14,263,392, which is reflected in the Statement of Net Position.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Plan Description: The healthcare plan (HP) is a single-employer defined benefit healthcare plan administered by the Town. HP provides medical insurance benefits to eligible retirees and their spouses. The Town assigns the authority to establish and amend benefit provisions to the Town Board.

Funding Policy:

The contribution requirements of Plan members and the Town are established by the Town Board. The required contribution is based on projected pay-as-you-go financial requirements. For fiscal year 2012, the Town contributed \$803,940 to the plan for current costs. Until changes are made in New York State law to permit funding, there is no legal authority to fund OPEB other than "pay as you go". Plan members receiving benefits contributed according to their bargaining unit agreement and hire date.

Annual OPEB Cost and Net OPEB Obligation: The Town's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed over thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actuarially contributed to the plan, and changes in the Town's net OPEB obligation to HP:

Annual required contribution as of December 31, 2012	\$ 4,594,590
Interest on net OPEB obligation	426,514
Adjustment to annual required contribution	<u>(616,634)</u>
Annual OPEB cost (expense)	\$ 4,404,470
Contributions made	<u>803,940</u>
Increase in net OPEB obligation	\$ 3,600,530
Net OPEB obligation-beginning of year	<u>10,662,862</u>
Net OPEB obligation-end of year	<u>\$ 14,263,392</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2010	\$ 4,396,286	15.65%	\$ 7,170,243
12/31/2011	\$ 4,194,477	15.73%	\$ 10,662,862
12/31/2012	\$ 4,404,470	18.25%	\$ 14,263,392

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Funded Status and Funding Progress:

As of January 1, 2012, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial liability for benefit was \$47,159,551, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$47,159,551. The covered payroll (annual payroll of active employees covered by the plan) was \$14,833,257, and the ratio of the UAAL to the covered payroll was 3.20. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2012, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return. An annual healthcare cost trend rate of 10.5% initially, reduced by decrements to an ultimate rate of 5% after 7 years and 8.5% for Medicare Part B premiums initially, reduced by decrements to an ultimate rate of 5% after 7 years. Both rates included an inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012, was 27 years.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

G. VACATION AND SICK LEAVE AND COMPENSATORY ABSENCES

Payment of vacation and sick leave recorded is dependent upon many factors, therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation and sick leave and compensatory absences when such payment becomes due. The liability for accumulated sick and vacation days at the end of the year is \$810,627.

H. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at December 31, 2012 were as follows:

<u>Fund Type</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Townwide	\$2,454,805	\$ -
Town Outside of Village	-	950
Urban Renewal Agency	-	2,039,754
Capital Projects	-	414,101
<u>TOTAL</u>	<u>\$2,454,805</u>	<u>\$ 2,454,805</u>

I. DEFICIT FUND BALANCE

Urban Renewal Agency reflects a deficit of (\$2,038,334). The reason for this deficit is that expenditures are currently being made for the planning stage of development and revenue will not be received until the plan is in place and redevelopment of the area begins.

J. LEASE COMMITMENTS AND LEASED ASSETS

The Town leases equipment under operating leases. Total rental expenditures on such leases for the fiscal year ended December 31, 2012 were approximately \$178,008. The maximum future non-cancelable operating lease payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
2013	\$119,261
2014	\$ 71,745
2015	\$ 62,937
2016	\$ 62,937

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

The Town is obligated under certain leases accounted for as capital leases. Assets under capital leases totaled \$215,952 at December 31, 2012. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments as of December 31, 2012.

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2013	22,458
2014	22,458
2015	<u>22,458</u>
Minimum Lease Payments	\$ 67,374
Less: Amount Representing Interest	<u>(5,121)</u>
Present Value - Minimum Lease Payments	<u>\$ 62,253</u>

V. CONTINGENCIES

A. FEDERAL AND STATE GRANTS

The local government has received grants in excess of \$450,000 which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for a return of funds to the federal governments. Based on past audits, the local government administration believes disallowances, if any, will be immaterial.

B. LEGAL

The Town has informed us that subsequent to the year-end the Town was named in several lawsuits. The Town's insurance carrier is vigorously defending all current lawsuits. The potential for an adverse outcome of these cases is not determinable at this time. In addition, if the Town has been named defendant in any other actions, information pertaining to these claims can be obtained from the Town Clerk.

The Town owns and operated a landfill site located in the eastern portion of the town. State and Federal laws required the Town to close the landfill when it reached capacity and monitor and maintain the site for thirty subsequent years.

TOWN OF HAVERSTRAW
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

The Town is currently under a Modified Consent Order for the closure of the sanitary landfill. The work on closure has been completed and inspected by the DEC. The preliminary indication is that the work was satisfactorily completed on a timely basis. The DEC accepted the environmental benefit project proposed by the Town. The Town has completed the requirements of the environmental benefit project by dedicating an easement to the State of New York and by constructing a kayak launch. No other fines or litigation are anticipated and it is presumed that this matter will be discontinued.

The Town issued its Landfill Closure Construction Certification Report (LCCCR) on February 5, 2005 and indicated that the landfill closure was "substantially" complete on October 23, 2002 thus triggering specific post closure monitoring and maintenance.

Although the Town has not received final certification for closure yet it is the Town's position and that of its engineers that the monitoring and maintenance commenced on October 23, 2002. In accordance with GASB Statement 18 the Town has recorded post closure care costs of \$5,873,300. This amount represents the estimated costs for maintaining and monitoring the landfill for the next 20 years.

The Town is also a defendant in numerous certiorari proceedings, the results of which generally require tax refunds on the part of the Town. The dollar value of such actions currently pending was unavailable, due to the fact that each case is determined on a case by case basis.

TOWN OF HAVERSTRAW

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2012

ASSETS

CASH

Demand Deposits	\$ 4,965,967
Restricted Deposits	399,104
Departmental Petty Cash	150
<u>TOTAL CASH</u>	<u>\$ 5,365,221</u>

RECEIVABLES

Accounts Receivable	\$ 850,902
Due from Agency Funds	-
Due from Other Funds	2,454,805
<u>TOTAL RECEIVABLES</u>	<u>\$ 3,305,707</u>

OTHER ASSETS

Prepaid Expenditures	\$ 716,279
<u>TOTAL OTHER ASSETS</u>	<u>\$ 716,279</u>

TOTAL ASSETS

\$ 9,387,207

LIABILITIES & FUND BALANCES

LIABILITIES

Accounts Payable	\$ 711,318
Bond Premium	358,661
Deferred Revenue	7,901
Due to Other Governments	91
Due to Other Funds	-
<u>TOTAL LIABILITIES</u>	<u>\$ 1,077,971</u>

FUND BALANCE

Restricted for:

Seized and Forfeited Property	\$ 103,974
Unemployment Claims	238,827
Parklands	42,798
Debt Redemption	13,505

Assigned to:

Public Safety	118,376
Subsequent Years Budget	1,600,000

Unassigned:

6,191,756

TOTAL FUND BALANCES

\$ 8,309,236

TOTAL LIABILITIES AND FUND
BALANCES

\$ 9,387,207

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012

REVENUES

Real Property Taxes	\$ 20,101,558
Other Tax Items	1,390,322
Departmental Income	2,897,422
Intergovernmental Charges	-
Use of Money and Property	508,767
Licenses and Permits	31,915
Gifts and Donations	-
Fines and Forfeitures	133,711
Sale of Property and Compensation for Loss	61,669
Miscellaneous	289,059
Federal Aid	354,431
State Aid	517,665
<u>TOTAL REVENUES</u>	<u>\$ 26,286,519</u>

EXPENDITURES

General Government Support	\$ 3,530,650
Education	178,684
Public Safety	10,793,704
Health	20,000
Transportation	183,122
Economic Assistance Opportunity	134,142
Culture and Recreation	2,560,189
Home and Community Services	257,180
Employee Benefits	6,636,163
Debt Service	2,206,317
<u>TOTAL EXPENDITURES</u>	<u>\$ 26,500,151</u>

Excess (Deficiency) of Revenues Over Expenditures	\$ (213,632)
--	--------------

OTHER FINANCING SOURCES (USES)

Proceeds From:	
Operating Transfers In	\$ 455,164
Proceeds From Debt	-
Operating Transfers Out	(302,162)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ 153,002</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ (60,630)
--	-------------

Fund Balance at Beginning of Year	<u>8,369,866</u>
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Fund Balance at End of Year	<u>\$ 8,309,236</u>
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The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
CAPITAL PROJECTS FUND
BALANCE SHEET
DECEMBER 31, 2012

ASSETS

CASH

Demand Deposit	\$ 455,486
<u>TOTAL CASH</u>	<u>\$ 455,486</u>

RECEIVABLES

Accounts Receivable	\$ 190,000
<u>TOTAL RECEIVABLES</u>	<u>\$ 190,000</u>

TOTAL ASSETS

\$ 645,486

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$ 82,967
Due to Other Funds	414,101
<u>TOTAL LIABILITIES</u>	<u>\$ 497,068</u>

FUND BALANCE

Restricted for:

Capital Projects	148,418
<u>TOTAL FUND BALANCE</u>	<u>\$ 148,418</u>

TOTAL LIABILITIES AND FUND BALANCE

\$ 645,486

TOWN OF HAVERSTRAW
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012

REVENUES

Federal Aid	\$ 190,000
State Aid	58,610
Transfers from Other Funds	352,000
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 600,610</u>

EXPENDITURES

Capital Projects Expenditures	\$ 590,204
Transfers to Other Funds	80,164
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 670,368</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (69,758)
--	-------------

Fund Balance at Beginning of Year	218,176
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Fund Balance at End of Year	\$ 148,418
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The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
DEBT SERVICE FUND
BALANCE SHEET
DECEMBER 31, 2012

ASSETS

CASH

Demand Deposit	\$	-
<u>TOTAL CASH</u>	\$	-

RECEIVABLES

Accounts Receivable	\$	-
<u>TOTAL RECEIVABLES</u>	\$	-

TOTAL ASSETS

\$ -

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$	-
Due to Other Funds		-
<u>TOTAL LIABILITIES</u>	\$	-

FUND BALANCE

Reserve of Encumbrances	\$	-
Appropriated to Capital Projects		-
<u>TOTAL FUND BALANCE</u>	\$	-

TOTAL LIABILITIES AND FUND BALANCE

\$ -

TOWN OF HAVERSTRAW
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012

REVENUES

Serial Bond Proceeds	\$	4,714,403
Transfers from Other Funds		-
<u>TOTAL REVENUES AND TRANSFERS</u>	\$	4,714,403

EXPENDITURES

Debt Service	\$	4,714,403
Transfers to Other Funds		-
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	\$	4,714,403

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$	-
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Fund Balance at Beginning of Year		-
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Fund Balance at End of Year	\$	-
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The accompanying notes are an integral part of the financial statements.

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TOWN OF HAVERSTRAW
NONMAJOR FUNDS
COMBINING BALANCE SHEETS
DECEMBER 31, 2012

	<u>General Fund</u> <u>Town Outside</u> <u>Villages</u>	<u>Highway Fund</u> <u>Townwide (DA)</u>	<u>Highway Fund</u> <u>Town Outside</u> <u>Villages (DB)</u>	<u>Special</u> <u>District Fund</u> <u>Sewer</u>
<u>ASSETS</u>				
<u>CASH</u>				
Demand Deposits	\$ 1,216,299	\$ 1,193,411	\$ 595,926	\$ 849,750
Restricted Deposits	-	-	-	-
Petty Cash	-	-	-	-
<u>TOTAL CASH</u>	<u>\$ 1,216,299</u>	<u>\$ 1,193,411</u>	<u>\$ 595,926</u>	<u>\$ 849,750</u>
<u>RECEIVABLES</u>				
Accounts Receivable	\$ 19,105	\$ 9,010	\$ 218,232	\$ 1,293,000
Due From Other Funds	-	-	-	-
<u>TOTAL RECEIVABLES</u>	<u>\$ 19,105</u>	<u>\$ 9,010</u>	<u>\$ 218,232</u>	<u>\$ 1,293,000</u>
<u>OTHER ASSETS</u>				
Prepaid Expenditures	\$ 17,526	\$ 25,037	\$ 25,037	\$ 7,511
<u>TOTAL OTHER ASSETS</u>	<u>\$ 17,526</u>	<u>\$ 25,037</u>	<u>\$ 25,037</u>	<u>\$ 7,511</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,252,930</u>	<u>\$ 1,227,458</u>	<u>\$ 839,195</u>	<u>\$ 2,150,261</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 30,181	\$ 29,274	\$ 16,688	\$ 19
Other Liabilities	-	-	-	-
Deferred Revenue	-	-	-	-
Bond Anticipation Notes	-	-	-	1,293,000
Due to Other Funds	-	950	-	-
<u>TOTAL LIABILITIES</u>	<u>\$ 30,181</u>	<u>\$ 30,224</u>	<u>\$ 16,688</u>	<u>\$ 1,293,019</u>
<u>FUND BALANCE</u>				
Restricted for:				
Special Revenue Funds	\$ 1,022,749	\$ 1,045,512	\$ 722,507	\$ 707,242
Assigned to:				
Transportation	-	1,722	-	-
Subsequent Years' Expenditures	200,000	150,000	100,000	150,000
<u>TOTAL FUND BALANCE</u>	<u>\$ 1,222,749</u>	<u>\$ 1,197,234</u>	<u>\$ 822,507</u>	<u>\$ 857,242</u>
<u>TOTAL LIABILITIES AND FUND</u> <u>BALANCE</u>	<u>\$ 1,252,930</u>	<u>\$ 1,227,458</u>	<u>\$ 839,195</u>	<u>\$ 2,150,261</u>

The accompanying notes are an integral part of the financial statements.

Special District Fund <u>Sanitation</u>	Special District Fund <u>Lighting</u>	Special District Fund <u>Water</u>	Special District Fund <u>Ambulance</u>	Special District Fund <u>Urban Renewal</u>	<u>Total 2012</u>
\$ 72,246	\$ 48,189	\$ 21,513	\$ 1,120,667	\$ 1,420	\$ 5,119,421
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 72,246</u>	<u>\$ 48,189</u>	<u>\$ 21,513</u>	<u>\$ 1,120,667</u>	<u>\$ 1,420</u>	<u>\$ 5,119,421</u>
\$ -	\$ -	\$ -	\$ 103,096	\$ -	\$ 1,642,443
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,096</u>	<u>\$ -</u>	<u>\$ 1,642,443</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,111
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,111</u>
<u>\$ 72,246</u>	<u>\$ 48,189</u>	<u>\$ 21,513</u>	<u>\$ 1,223,763</u>	<u>\$ 1,420</u>	<u>\$ 6,836,975</u>
\$ -	\$ 15,016	\$ -	\$ 53,359	\$ -	\$ 144,537
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,293,000
-	-	-	-	2,039,754	2,040,704
<u>\$ -</u>	<u>\$ 15,016</u>	<u>\$ -</u>	<u>\$ 53,359</u>	<u>\$ 2,039,754</u>	<u>\$ 3,478,241</u>
\$ 72,246	\$ 28,173	\$ 21,513	\$ 970,404	\$ (2,038,334)	\$ 2,552,012
-	-	-	-	-	1,722
-	5,000	-	200,000	-	805,000
<u>\$ 72,246</u>	<u>\$ 33,173</u>	<u>\$ 21,513</u>	<u>\$ 1,170,404</u>	<u>\$ (2,038,334)</u>	<u>\$ 3,358,734</u>
<u>\$ 72,246</u>	<u>\$ 48,189</u>	<u>\$ 21,513</u>	<u>\$ 1,223,763</u>	<u>\$ 1,420</u>	<u>\$ 6,836,975</u>

TOWN OF HAVERSTRAW
NONMAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund Town Outside <u>Village</u>	Highway Fund Townwide (DA)	Highway Fund Town Outside <u>Village (DB)</u>	Special District Fund <u>Sewer</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 1,120,721	\$ 1,682,000	\$ 1,332,512	\$ 248,093
Other Tax Items	-	-	-	-
Departmental Income	206,686	-	-	2,063,818
Intergovernmental Charges	-	36,428	68,368	517,883
Interest Earnings	3,747	3,378	2,158	1,718
Licenses and Permits	-	-	-	-
Gifts and Donations	-	-	-	-
Sale of Property and Compensation for Loss	-	6,060	5,128	-
Miscellaneous	-	21,179	6,446	-
Federal Aid	-	7,458	274,216	16,005
State Aid	1,806	35,420	19,479	86,765
Refuse and Garbage	-	-	-	-
Refund of Prior Year Expenditures	-	-	-	-
<u>TOTAL REVENUE</u>	<u>\$ 1,332,960</u>	<u>\$ 1,791,923</u>	<u>\$ 1,708,307</u>	<u>\$ 2,934,282</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 52,244	\$ -	\$ -	\$ 24,547
Public Safety	268,590	-	-	-
Cultural & Recreation	223,199	-	-	-
Transportation	-	1,625,101	1,531,307	-
Home and Community Services	344,645	-	-	2,401,757
Health	-	-	-	-
Employee Benefits	241,666	-	-	53,578
Debt Service	-	19,448	-	517,883
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,130,344</u>	<u>\$ 1,644,549</u>	<u>\$ 1,531,307</u>	<u>\$ 2,997,765</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	\$ 2,162	\$ -	\$ -	\$ -
Operating Transfers Out	-	-	12,000	40,000
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ 2,162</u>	<u>\$ -</u>	<u>\$ (12,000)</u>	<u>\$ (40,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 204,778	\$ 147,374	\$ 165,000	\$ (103,483)
Fund Balance at Beginning of Year	<u>1,017,971</u>	<u>1,049,860</u>	<u>657,507</u>	<u>960,725</u>
Fund Balance at End of Year	<u>\$ 1,222,749</u>	<u>\$ 1,197,234</u>	<u>\$ 822,507</u>	<u>\$ 857,242</u>

The accompanying notes are an integral part of the financial statements.

Special District Fund <u>Sanitation</u>	Special District Fund <u>Lighting</u>	Special District Fund <u>Water</u>	Special District Fund <u>Ambulance</u>	Special District Fund <u>Urban Renewal</u>	<u>Total 2012</u>
\$ 595,727	\$ 150,438	\$ 220,836	\$ 363,809	\$ -	\$ 5,714,136
-	-	-	-	-	-
-	-	-	988,175	-	3,258,679
-	-	-	-	-	622,679
258	82	89	1,991	-	13,421
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	11,188
-	-	-	-	-	27,625
-	-	-	-	-	297,679
-	-	-	-	-	143,470
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 595,985</u>	<u>\$ 150,520</u>	<u>\$ 220,925</u>	<u>\$ 1,353,975</u>	<u>\$ -</u>	<u>\$ 10,088,877</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,791
-	-	-	-	-	268,590
-	-	-	-	-	223,199
-	-	-	-	-	3,156,408
596,365	152,830	208,136	-	35	3,703,768
-	-	-	1,177,307	-	1,177,307
-	-	-	-	-	295,244
-	-	-	148,773	300,252	986,356
<u>\$ 596,365</u>	<u>\$ 152,830</u>	<u>\$ 208,136</u>	<u>\$ 1,326,080</u>	<u>\$ 300,287</u>	<u>\$ 9,887,663</u>
\$ -	\$ -	\$ -	\$ -	\$ -	2,162
-	-	-	375,000	-	427,000
\$ -	\$ -	\$ -	\$ (375,000)	\$ -	\$ (424,838)
\$ (380)	\$ (2,310)	\$ 12,789	\$ (347,105)	\$ (300,287)	\$ (223,624)
<u>72,626</u>	<u>35,483</u>	<u>8,724</u>	<u>1,517,509</u>	<u>(1,738,047)</u>	<u>\$ 3,582,358</u>
<u>\$ 72,246</u>	<u>\$ 33,173</u>	<u>\$ 21,513</u>	<u>\$ 1,170,404</u>	<u>\$ (2,038,334)</u>	<u>\$ 3,358,734</u>

TOWN OF HAVERSTRAW
GENERAL FUND TOWN OUTSIDE VILLAGE (B) - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Budget	Town Outside Village Amended Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>				
Real Property Taxes	\$ 1,119,500	\$ 1,119,500	\$ 1,120,721	\$ 1,221
Interest Earnings	-	-	3,747	3,747
Departmental Income	127,000	127,000	206,686	79,686
State Aid	-	-	1,806	1,806
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 1,246,500</u>	<u>\$ 1,246,500</u>	<u>\$ 1,332,960</u>	<u>\$ 86,460</u>
<u>EXPENDITURES</u>				
General Government	\$ 140,000	\$ 122,000	\$ 52,244	\$ 69,756
Public Safety	276,000	280,000	268,590	11,410
Culture & Recreation	245,000	255,000	223,199	31,801
Home and Community Services	412,000	412,000	344,645	67,355
Employee Benefits	273,500	277,500	241,666	35,834
Interfund Transfers	-	-	-	-
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 1,346,500</u>	<u>\$ 1,346,500</u>	<u>\$ 1,130,344</u>	<u>\$ 216,156</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	\$ -	\$ -	\$ 2,162	\$ 2,162
Operating Transfers Out	-	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,162</u>	<u>\$ 2,162</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (100,000)	\$ (100,000)	\$ 204,778	\$ (127,534)
Fund Balance at Beginning of Year	1,017,971	1,017,971	1,017,971	-
Fund Balance at End of Year	<u>\$ 917,971</u>	<u>\$ 917,971</u>	<u>\$ 1,222,749</u>	<u>\$ (127,534)</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
HIGHWAY FUND TOWNWIDE (DA), HIGHWAY FUND OUTSIDE VILLAGE (DB) - SPECIAL REVENUE FUND
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	Highway Fund Townwide (DA)			Highway Fund Outside Village (DB)				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES								
Real Property Taxes	\$ 1,682,000	\$ 1,682,000	\$ 1,682,000	\$ -	\$ 1,331,000	\$ 1,331,000	\$ 1,332,512	\$ 1,512
Interest Earnings	5,000	5,000	3,378	(1,622)	5,000	5,000	2,158	(2,842)
Services to Other Governments	85,000	85,000	24,583	(60,417)	15,000	15,000	35,114	20,114
Sale of Equipment and Insurance Recoveries	-	5,000	6,060	1,060	-	-	5,128	5,128
Miscellaneous	20,000	20,000	21,179	1,179	-	-	6,446	6,446
State Aid	-	-	35,420	35,420	10,000	10,000	19,479	9,479
Federal Aid	-	-	7,458	7,458	-	-	274,216	274,216
Intergovernmental Charges	-	-	11,845	11,845	-	-	33,254	21,254
TOTAL REVENUES AND TRANSFERS	\$ 1,792,000	\$ 1,797,000	\$ 1,791,923	\$ (5,077)	\$ 1,361,000	\$ 1,373,000	\$ 1,708,307	\$ 335,307
EXPENDITURES								
Transportation	\$ 1,922,000	\$ 1,927,000	\$ 1,625,101	\$ 301,899	\$ 1,561,000	\$ 1,561,000	\$ 1,531,307	\$ 29,693
Debt Service	20,000	20,000	19,448	552	-	-	-	-
Interfund Expenditure	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES AND TRANSFERS	\$ 1,942,000	\$ 1,947,000	\$ 1,644,549	\$ 302,451	\$ 1,561,000	\$ 1,561,000	\$ 1,531,307	\$ 29,693
OTHER FINANCING SOURCES (USES)								
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	-	-	-	-	-	12,000	12,000	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (12,000)	\$ (12,000)	\$ -
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (150,000)	\$ (150,000)	\$ 147,374	\$ 297,374	\$ (200,000)	\$ (200,000)	\$ 165,000	\$ 365,000
Fund Balance at Beginning of Year	1,049,860	1,049,860	1,049,860	-	657,507	657,507	657,507	-
Fund Balance at End of Year	\$ 899,860	\$ 899,860	\$ 1,197,234	\$ 297,374	\$ 457,507	\$ 457,507	\$ 822,507	\$ 365,000

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
SPECIAL DISTRICT FUND - SEWER, SANITATION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEARS ENDED DECEMBER 31, 2012

	Sewer Fund			Sanitation				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES								
Real Property Taxes	\$ 247,896	\$ 247,896	\$ 248,093	\$ 197	\$ 597,000	\$ 597,000	\$ 595,727	\$ (1,273)
Interest Earnings	5,000	5,000	1,718	(3,282)	-	-	258	258
Rents and Charges	2,034,104	2,059,104	2,063,818	4,714	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
State Aid	-	-	86,765	86,765	-	-	-	-
Federal Aid	-	15,000	16,005	1,005	-	-	-	-
Debt Service Revenue	453,000	560,000	517,883	(42,117)	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 2,740,000	\$ 2,887,000	\$ 2,934,282	\$ 47,282	\$ 597,000	\$ 597,000	\$ 595,985	\$ (1,015)
EXPENDITURES								
General Government	\$ 38,000	\$ 28,000	\$ 24,547	\$ 3,453	\$ -	\$ -	\$ -	\$ -
Home and Community Services	2,335,000	2,443,000	2,401,757	41,243	597,000	597,000	596,365	635
Employee Benefits	64,000	66,000	53,578	12,422	-	-	-	-
Debt Service	453,000	560,000	517,883	42,117	-	-	-	-
Interfund Transfers	-	40,000	40,000	-	-	-	-	-
TOTAL EXPENDITURES AND TRANSFERS	\$ 2,890,000	\$ 3,137,000	\$ 3,037,765	\$ 99,235	\$ 597,000	\$ 597,000	\$ 596,365	\$ 635
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (150,000)	\$ (250,000)	\$ (103,483)	\$ 146,517	\$ -	\$ -	\$ (380)	\$ (380)
Fund Balance at Beginning of Year	960,725	960,725	960,725	-	72,626	72,626	72,626	-
Fund Balance at End of Year	\$ 810,725	\$ 710,725	\$ 857,242	\$ 146,517	\$ 72,626	\$ 72,626	\$ 72,246	\$ (380)

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
SPECIAL DISTRICT FUND - LIGHTING, WATER - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	Lighting Fund			Water Fund		
	Original Budget	Amended Budget	Favorable (Unfavorable)	Original Budget	Amended Budget	Favorable (Unfavorable)
<u>REVENUES</u>						
Real Property Taxes	\$ 150,000	\$ 150,000	\$ 438	\$ 220,000	\$ 220,000	\$ 836
Interest Earnings	-	82	82	-	-	89
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 150,000</u>	<u>\$ 150,520</u>	<u>\$ 520</u>	<u>\$ 220,000</u>	<u>\$ 220,925</u>	<u>\$ 925</u>
<u>EXPENDITURES</u>						
Home and Community Services	\$ 155,000	\$ 152,830	\$ 2,170	\$ 220,000	\$ 208,136	\$ 11,864
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 155,000</u>	<u>\$ 152,830</u>	<u>\$ 2,170</u>	<u>\$ 220,000</u>	<u>\$ 208,136</u>	<u>\$ 11,864</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (5,000)	\$ (5,000)	\$ 2,690	\$ -	\$ -	\$ 12,789
Fund Balance at Beginning of Year	35,483	35,483	-	8,724	8,724	-
Fund Balance at End of Year	\$ 30,483	\$ 30,483	\$ 2,690	\$ 8,724	\$ 8,724	\$ 12,789

The accompanying notes are an integral part of the financial statements.
-59-

TOWN OF HAVERSTRAW
 SPECIAL DISTRICT FUND - AMBULANCE AND URBAN RENEWAL AGENCY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Ambulance			Urban Renewal Agency				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES								
Real Property Taxes	\$ 363,000	\$ 363,000	\$ 363,809	\$ 809	\$ -	\$ -	\$ -	\$ -
Ambulance Charges	750,000	765,000	988,175	223,175	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest Earnings	2,000	2,000	1,991	(9)	-	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 1,115,000	\$ 1,130,000	\$ 1,353,975	\$ 223,975	\$ -	\$ -	\$ -	\$ -
EXPENDITURES								
Home & Community Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35	\$ (35)
Debt Service	1,165,000	1,180,000	1,177,307	2,693	-	-	-	-
	150,000	150,000	148,773	1,227	-	-	300,252	(300,252)
TOTAL EXPENDITURES AND TRANSFERS	\$ 1,315,000	\$ 1,330,000	\$ 1,326,080	\$ 3,920	\$ -	\$ -	\$ 300,287	\$ (300,287)
OTHER FINANCING SOURCES (USES)								
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	-	375,000	375,000	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ (375,000)	\$ (375,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (200,000)	\$ (575,000)	\$ (347,105)	\$ 220,055	\$ -	\$ -	\$ (300,287)	\$ (300,287)
Fund Balance at Beginning of Year	1,517,509	1,517,509	1,517,509	-	(1,738,047)	(1,738,047)	(1,738,047)	-
Fund Balance at End of Year	\$ 1,317,509	\$ 942,509	\$ 1,170,404	\$ 220,055	\$ (1,738,047)	\$ (1,738,047)	\$ (2,038,334)	\$ (300,287)

The accompanying notes are an integral part of the financial statements.

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TOWN OF HAVERSTRAW
CAPITAL PROJECTS FUND
ANALYSIS OF CAPITAL PROJECTS FUND BY PROJECT
FOR THE YEAR ENDED DECEMBER 31, 2012

<u>PROJECT</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>			<u>Unexpended Balance</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Sanitary Landfill Closure	\$ 15,000,000	\$ 14,608,195	\$ -	\$ 14,608,195	\$ 391,805
Ambulance Building	2,975,000	2,789,481	127,462	2,916,943	58,057
Walking Path	65,000	45,344	-	45,344	19,656
Cheesecote Mountain Imp.	150,000	135,461	632	136,093	13,907
Pool Deck - Bowline	95,000	86,828	-	86,828	8,172
Road Resurfacing	500,000	497,836	-	497,836	2,164
Cheesecote Access Road, Paving & Guiderail	100,000	51,240	48,059	99,299	701
Playground Equipment	50,000	49,111	687	49,798	202
Town Hall Parking Lot	500,000	446,793	-	446,793	53,207
Automatic Irrigation System	400,000	374,453	-	374,453	25,547
Resurface/Retile Bowline Pool	150,000	-	136,840	136,840	13,160
Bowline Lighting	230,000	-	192,321	192,321	37,679
Pump Station	120,000	-	-	-	120,000
Belgian Block 2012	110,000	-	84,203	84,203	25,797
Crack Sealing & Micro surfacing	80,000	-	-	-	80,000
	<u>\$ 20,525,000</u>	<u>\$ 19,084,742</u>	<u>\$ 590,204</u>	<u>\$ 19,674,946</u>	<u>\$ 850,054</u>

The accompanying notes are an integral part of the financial statements.

Proceeds of <u>Obligations</u>	<u>Methods of Financing</u>			Fund Balance at <u>December 31, 2012</u>
	<u>Other</u>	<u>Transfers</u>	<u>Total</u>	
\$ 10,389,400	\$ 2,000,000	\$ 2,190,396	\$ 14,579,796	\$ (28,399)
2,300,000	-	675,000	2,975,000	58,057
-	50,000	-	50,000	4,656
-	127,240	-	127,240	(8,853)
-	82,620	-	82,620	(4,208)
-	497,836	-	497,836	-
-	99,238	-	99,238	(61)
-	49,798	-	49,798	-
-	-	445,383	445,383	(1,410)
-	-	374,453	374,453	-
-	-	150,000	150,000	13,160
-	190,000	40,000	230,000	37,679
-	-	40,000	40,000	40,000
-	-	110,000	110,000	25,797
-	-	12,000	12,000	12,000
<u>\$ 12,689,400</u>	<u>\$ 3,096,732</u>	<u>\$ 4,037,232</u>	<u>\$ 19,823,364</u>	<u>\$ 148,418</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
AND EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2012

Schedule of Funding Progress

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u> <u>(a)</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL) -</u> <u>(b)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(b-a)</u>	<u>Funded</u> <u>Ratio</u> <u>(a/b)</u>	<u>Covered</u> <u>Payroll</u> <u>(c)</u>	<u>UAAL as a</u> <u>Percentage of</u> <u>Covered</u> <u>Payroll</u> <u>([b-a]/c)</u>
12/31/09	\$ -	\$ 42,287,116	\$ 42,287,116	0.0%	\$ 13,616,970	310.55%
12/31/10	\$ -	\$ 46,886,516	\$ 46,886,516	0.0%	\$ 13,676,767	342.82%
12/31/11	\$ -	\$ 44,582,488	\$ 44,582,488	0.0%	\$ 15,354,934	290.35%
12/31/12	\$ -	\$ 47,159,551	\$ 47,159,551	0.0%	\$ 14,833,257	317.93%

Schedule of Employer Contributions

<u>Year</u> <u>Ended</u> <u>December 31</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>
2008	N.A. - Transition Date is 1/1/2009	
2009	\$ 4,081,915	15.19%
2010	\$ 4,458,012	15.65%
2011	\$ 4,322,323	16.73%
2012	\$ 4,594,590	17.50%

The accompanying notes are an integral part of the financial statements.

SUPPLEMENTAL SCHEDULES

Our examination of the financial statements included in the preceding section of this report was directed to the expression of an opinion of those statements taken as a whole. The supplemental material presented in the following section of this report is not necessary for a fair presentation of the financial statements but is presented as additional analytical data. This information has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Korn Rosenbaum LLP
Korn Rosenbaum LLP

July 23, 2013

TOWN OF HAVERSTRAW
TOWN JUSTICE
CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

<u>CASH BALANCE - JANUARY 1, 2012</u>	\$ 26,015
Receipts:	
Bail Money	\$ <u>25,805</u>
	\$ 51,820
Disbursements:	
Bail Money Returned	<u>37,530</u>
<u>CASH BALANCE - DECEMBER 31, 2012</u>	<u>\$ 14,290</u>
<u>CASH - BALANCE COMPRISED OF THE FOLLOWING:</u>	
Bail Money Held in Pending Cases	<u>14,290</u>
	<u>\$ 14,290</u>

TOWN OF HAVERSTRAW
TOWN JUSTICE
CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

<u>CASH BALANCE - JANUARY 1, 2012</u>	\$ 32,675
Receipts:	
Bail Money	\$ <u>44,626</u>
	\$ 77,301
Disbursements:	
Bail Money Returned	<u>47,081</u>
<u>CASH BALANCE - DECEMBER 31, 2012</u>	<u>\$ 30,220</u>
 <u>CASH - BALANCE COMPRISED OF THE FOLLOWING:</u>	
Bail Money Held in Pending Cases	<u>30,220</u>
	<u>\$ 30,220</u>

