

TOWN OF HAVERSTRAW

AUDIT REPORT

DECEMBER 31, 2014



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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, 2014, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 2014, 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 48-63 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



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 and the procedures performed as described above, 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.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2015, on our consideration of the Town of Haverstraw's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Haverstraw's internal control over financial reporting and compliance.

  
Korn Rosenbaum LLP

June 15, 2015

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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, 2014, 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 June 15, 2015.

**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

June 15, 2015

Town of Haverstraw  
Management's Discussion and Analysis (MD&A)  
December 31, 2014

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, 2014. 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.

### Financial Highlights

The Town's Statement of Net Position consisted of:

	For the years ended	
	<u>12/31/14</u>	<u>12/31/13</u>
Assets	\$ 19,910,752	\$ 17,463,049
Capital Assets	<u>22,583,354</u>	<u>22,709,952</u>
Total Assets	<u>42,494,106</u>	<u>40,173,001</u>
Other Liabilities	2,127,377	2,425,260
Long-Term Liabilities	62,643,122	60,121,333
Deferred Inflows	<u>399,645</u>	<u>351,974</u>
Total Liabilities & Deferred Inflows	<u>65,170,144</u>	<u>62,898,567</u>
Total Net Position	<u>\$(22,676,038)</u>	<u>\$(22,725,566)</u>

**Total Assets** increased \$2,321,105 for the year ended December 31, 2014 as compared to the prior year and was primarily due to:

- Demand deposits increased \$2,910,442 as compared to the prior year.
- Accounts receivable decreased \$541,946 from the prior year upon receipt of various grant monies and a reduction in the amount due from JRSB for debt.
- Capital Assets decreased by \$126,598 as compared to the prior year.
- Prepaid Expenses reflected a net increase of \$79,223 as compared to the prior year.

**Total Liabilities** increased \$2,271,577 for the year ended December 31, 2014 as compared to the prior year. The net increase was attributable to an increase in the Other Post Retirement Benefits (OPEB) net obligation in the amount of \$2,638,733 and the issuance of \$2,460,000 in serial bonds. Principal on debt of \$2,180,000 as well as one year's amortization on the landfill closure monitoring costs in the amount of \$293,665 and the New York State settlement in the amount of \$49,730 reduced liabilities by \$2,523,395. There was a decrease of \$193,000 in BAN's payable.

**Net Position** balance consisted of:

	For the years ended	
	<u>12/31/14</u>	<u>12/31/13</u>
Net Investment in Capital Assets	\$ 17,503,354	\$ 17,099,952
Restricted for various purposes	5,858,831	5,171,581
Unrestricted deficit	<u>(46,038,223)</u>	<u>(44,997,099)</u>
Total Net Position	<u>\$ (22,676,038)</u>	<u>\$(22,725,566)</u>

Total Net Position increased by \$49,528 and consisted of:

- Investment in Capital Assets, net of related debt increased approximately \$403,402 for the year.
- Net Position Restricted for various purposes increased approximately \$687,250 as a result of positive operating results in the special revenue funds.
- Unrestricted (deficit) increased approximately \$1,041,124. The increase was attributable to the Town of Haverstraw's Other Post retirement Benefits (OPEB) with a net cost of \$2,638,733. The increase was offset by positive operating results in the General Fund of \$2,612,705.

### **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:

	For years ended	
	<u>12/31/14</u>	<u>12/31/13</u>
Major Funds:		
General Fund	\$ 8,398,130	\$ 5,801,278
Capital Projects Fund	\$ 54,881	\$ 102,168
Non-major Funds	\$ 2,788,584	\$ 2,341,213

## **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 \$42,494,106 were exceeded by liabilities by \$22,676,038 for the year ended December 31, 2014.

The largest component of the Town's assets is invested in capital assets of \$22,583,354, net of accumulated depreciation. Related debt of \$5,080,000 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 \$5,858,831 represent resources that are subject to external restrictions on how they may be used. \$5,417,143 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 \$3,410,000 and post-closure care costs of \$5,285,970, 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 2014. The refunding is expected to result in over \$300,000 of interest savings 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 18 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 sixth 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 \$60.2 million to fully fund all benefits for retirees and current employees who have already earned this benefit as of December 31, 2014.

The Town is required to report the "Annual Required Contribution" related to the above costs which totaled \$3,676,442 less contribution made of \$1,037,709 equaling the net increase in OPEB obligation of \$2,638,733. 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 \$16,880,094 totals \$19,518,827 for the year ended December 31, 2014. 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)	\$(15,194,867)
Unrestricted surplus (deficit) Urban Renewal	( 2,628,559)
Unrestricted (deficit) – per GASB No. 45	(19,518,827)
Unrestricted (deficit) – per GASB No. 18	<u>( 8,695,970)</u>
Net Unrestricted surplus (deficit)	<u><u>\$(46,038,223)</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

The Town's Statement of Activities consisted of:

	For the years ended	
	<u>12/31/14</u>	<u>12/31/13</u>
Program Revenue	\$ 6,804,289	\$ 6,946,506
General Expense	<u>40,695,933</u>	<u>40,044,419</u>
Net Expense	<u>(33,891,644)</u>	<u>(33,097,913)</u>
General Revenue	<u>33,941,172</u>	<u>32,041,193</u>
Change in Net Position	49,528	(1,056,720)
Net Position Beg. of Year	<u>(22,725,566)</u>	<u>(21,668,846)</u>
Net Position End of Year	<u><u>\$(22,676,038)</u></u>	<u><u>\$(22,725,566)</u></u>

Governmental activities increased the Town's net assets by \$49,528. For the year ended December 31, 2014, program revenues from governmental activities totaled \$6,804,289 and were primarily from charges for services (user fees) for Culture and Recreation, Health and Home and Community Services. Total general revenues amounted to \$33,941,172 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 \$14,695,002, an increase of \$2,959,747, in comparison with the prior year. Of the total combined fund balance, \$8,398,130 constitutes surplus fund balance in the general fund, \$2,005,000 has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2015 budget for all funds. \$39,763 is assigned for encumbrances various Funds. The remainder of the fund balance is restricted to indicate that its use is limited as follows; \$2,788,584 for special revenue funds, \$54,881 for Capital Projects, \$239,545 to reimburse NYS for unemployment claims, \$62,737 for the development of parklands, \$71,020 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 \$11,060,631, of which \$8,398,130 was unassigned and not appropriated for subsequent year budget.

Total Revenue and Transfers of \$32,899,832 exceeded original budget of \$28,106,100 by \$4,793,732, and was primarily due to an increase of approximately \$1,018,655 in departmental income and other tax items, an increase in New York State and Federal aid of \$227,226, an increase from Debt proceeds of \$2,460,000, an increase in sale of property (assignment of Town Cell Phone Tower) of \$613,000 and the remaining various income accounts had exceeded the budgeted amounts by approximately \$474,851.

Total Expenditures and Transfers were \$30,287,127, as compared with original budget of \$29,506,100. The total unfavorable variance of \$781,027 was primarily attributable to a claim settlement with GEN ON power plant tax certiorari for \$2,420,303. Employee benefits had a net favorable variance of \$425,880, Public Safety had a favorable variance of \$364,324, Cultural and recreation expenses had a favorable variance of \$138,719 and Home & Community expenses had a favorable variance of \$186,063. All other expenditures had a net favorable variance totaling \$524,290.

The **Capital Projects Fund** is used to account for capital project activity throughout the Town. The Capital Projects Fund's ending fund balance was \$54,881 for fiscal year 2014 as compared to \$102,168 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, 2014, the combined fund balance of these funds totaled \$3,579,490, which represents an increase of \$394,329 from the prior year.

Unappropriated funds consisted of:

	<u>For years ended</u>	
	<u>12/31/14</u>	<u>12/31/13</u>
General Fund Town Outside Village	\$ 1,043,682	\$ 973,956
Highway Townwide	1,360,093	1,185,840
Highway Outside Villages	859,427	632,373
Special Districts Funds:		
Sewer	960,232	799,677
Sanitation	71,686	71,695
Lighting	25,483	32,988
Ambulance	1,021,055	943,310
Water	75,485	38,592
Urban Renewal	<u>(2,628,559)</u>	<u>(2,337,218)</u>
	<u>\$ 2,788,584</u>	<u>\$ 2,341,213</u>

The net increase of \$447,371 was substantially due to:

The Town Outside Village Fund's 2014 original budget reflected utilization of \$200,000 surplus, whereas actual results required no monies to be used in 2014. The actual result was an increase of \$69,102. The improvement was due to various expenditure spending that was less than originally budgeted by \$204,234 and actual revenues exceeding budgeted amounts by \$64,868.

The Highway Fund Townwide Fund's 2014 original budget reflected utilization of a \$150,000 surplus, whereas actual results required no monies to be used in 2014. The actual result was an increase of \$181,282. The improvement was due to actual expenditures being \$212,444 less than the original budget and actual revenues were higher than budgeted revenues by \$118,838.

The Highway Town Outside Village Fund's reflected an increase of \$176,162 in fund balance. The original budget reflected utilization of \$100,000 surplus. This increase was primarily due to an increase in revenues of \$62,338 above budgeted revenues and the expenditures were less than the original budgeted amounts by \$213,824.

The Special District Sewer Fund reflected an increase of \$152,000. The fund was supposed to use \$100,000 of surplus, whereas actual results required no monies to be used in 2014. The improvement was due to actual expenditures being \$138,423 less than the original budget and actual revenues exceed the original budgeted revenues by \$113,577.

The Special District Water Fund reflected an increase of \$36,893 in fund balance for 2014. The improvement was due to actual expenditures being \$35,542 less than the original budgeted expenditures and the actual revenues exceed the original budgeted revenues by \$1,351.

The Special District Lighting Fund reflected a decrease of \$7,505. The fund was supposed to use \$10,000 of surplus. The decrease was due to actual expenditures being \$1,152 less than the amended budget and actual revenues were more than the original budgeted revenues by \$1,343.

The Special District Ambulance Fund reflected an increase of \$77,745 in its fund balance. The fund was supposed to use \$200,000 of surplus. The improvement was due to actual revenues that exceeded original budgeted revenues by \$240,676 and actual expenditures that were less than the original budgeted expenditures by \$37,069. (i.e. the unappropriated surplus as of December 31, 2014 will substantially be appropriated for the 2015 corps budget).

The Special District Urban Renewal Fund has a current deficit of (\$2,628,559) in the fund balance as of December 31, 2014. This deficit represents expenditures attributable to the Letchworth property that the Town purchased from the State of New York as excess property. During 2014, the Town Of Haverstraw paid down the Urban Renewal Bond of approximately \$300,000, which increased the deficit from the prior year. The Town has a site plan which they can go out in the future to market and solicit proposals from developers. The future 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, 2014, amounts to \$22,583,354, 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 \$1,000,000. 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 \$36,610,000. All of this debt is backed by the full faith and credit of the Town. Other long-term liabilities included \$5,285,970 for sanitary landfill post-closure costs, judgement \$447,570, installment purchase debt \$21,582 and compensated absences \$759,173. In addition, net OPEB obligations were \$19,518,827.

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 April of 2014, 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, 2014, the Town of Haverstraw had used \$37,610,000 or 17.35% 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, 2014

	<u>Primary Government</u>
<b><u>ASSETS</u></b>	
Unrestricted Cash	\$ 13,560,036
Restricted Cash	386,807
Accounts Receivable	4,937,913
Prepaid Expenses	1,021,837
Due From Other Governments	4,159
Capital Assets, not being depreciated	7,705,308
Capital Assets (net)	<u>14,878,046</u>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 42,494,106</u></b>
<b><u>LIABILITIES</u></b>	
Accounts Payable	\$ 413,360
Accrued Liabilities	329,926
Accrued Interest Payable	376,272
Bond Anticipation Notes	1,000,000
Unearned Revenue	7,819
Noncurrent liabilities:	
Due within one year	3,788,853
Due in more than one year	<u>58,854,269</u>
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 64,770,499</u></b>
<b><u>DEFERRED INFLOW</u></b>	<b><u>\$ 399,645</u></b>
<b><u>NET POSITION</u></b>	
Investment in Capital Assets, net of related debt	\$ 17,503,354
Restricted for:	
Special Districts	5,417,143
Capital Projects	54,881
Seized and Forfeited Property	71,020
Unemployment Claims	239,545
Parklands	62,737
Debt Redemption	13,505
Unrestricted surplus (deficit)	<u>(46,038,223)</u>
<b><u>TOTAL NET POSITION</u></b>	<b><u>\$ (22,676,038)</u></b>

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

TOWN OF HAVERSTRAW  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>FUNCTIONS/PROGRAMS</u>	<u>Program Revenue</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
Governmental Activities:				
General Support	\$ 7,229,766	\$ 748,411	\$ 28,258	\$ -
Public Safety	19,039,264	199,879	101,673	-
Health	1,234,023	1,019,755	-	-
Transportation	3,720,975	96,433	83,480	-
Economic Assistance and Opportunity	105,891	-	-	-
Culture and Recreation	3,740,597	1,692,116	-	332,280
Home and Community Services	3,423,694	2,502,004	-	-
Debt Service	1,142,541	-	-	-
Depreciation - unallocated	1,059,182	-	-	-
<b><u>Total Primary Government</u></b>	<b><u>\$ 40,695,933</u></b>	<b><u>\$ 6,258,598</u></b>	<b><u>\$ 213,411</u></b>	<b><u>\$ 332,280</u></b>

**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 POSITION**

Total Net Position - Beginning of Year

Total Net Position - End of Year

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

Net (Expense) Revenue and  
Changes in Net Assets

Primary  
Government

\$ (6,453,097)  
(18,737,712)  
(214,268)  
(3,541,062)  
(105,891)  
(1,716,201)  
(921,690)  
(1,142,541)  
(1,059,182)  
\$ (33,891,644)

\$ 30,012,725  
1,590,257  
469,617  
557,296  
49,078  
1,262,199

\$ 33,941,172

49,528

(22,725,566)

\$ (22,676,038)

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

TOWN OF HAVERSTRAW  
BALANCE SHEET - GOVERNMENT FUNDS  
AS OF DECEMBER 31, 2014

	<u>General Fund</u> <u>Townwide</u>	<u>Capital</u> <u>Project Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b><u>ASSETS</u></b>				
<b><u>CASH</u></b>				
Demand Deposits	\$ 7,103,139	\$ 162,875	\$ 6,293,872	\$ 13,559,886
Restricted Deposits	386,807	-	-	386,807
Departmental Petty Cash	150	-	-	150
<b><u>TOTAL CASH</u></b>	<b><u>\$ 7,490,096</u></b>	<b><u>\$ 162,875</u></b>	<b><u>\$ 6,293,872</u></b>	<b><u>\$ 13,946,843</u></b>
<b><u>RECEIVABLES</u></b>				
Accounts Receivable	\$ 542,088	\$ 244,040	\$ 1,086,785	\$ 1,872,913
Due from Other Governments	4,159	-	-	4,159
Due from Other Funds	2,979,535	-	2,141	2,981,676
<b><u>TOTAL RECEIVABLES</u></b>	<b><u>\$ 3,525,782</u></b>	<b><u>\$ 244,040</u></b>	<b><u>\$ 1,088,926</u></b>	<b><u>\$ 4,858,748</u></b>
<b><u>OTHER ASSETS</u></b>				
Prepaid Expenditures	\$ 945,852	\$ -	\$ 75,985	\$ 1,021,837
<b><u>TOTAL OTHER ASSETS</u></b>	<b><u>\$ 945,852</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 75,985</u></b>	<b><u>\$ 1,021,837</u></b>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 11,961,730</u></b>	<b><u>\$ 406,915</u></b>	<b><u>\$ 7,458,783</u></b>	<b><u>\$ 19,827,428</u></b>
<b><u>LIABILITIES &amp; FUND BALANCES</u></b>				
<b><u>LIABILITIES</u></b>				
Accounts Payable	\$ 205,646	\$ 920	\$ 206,794	\$ 413,360
Accrued Liabilities	287,353	-	42,573	329,926
Bond Anticipation Notes	-	-	1,000,000	1,000,000
Unearned Revenue	7,819	-	-	7,819
Due to Other Funds	636	351,114	2,629,926	2,981,676
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 501,454</u></b>	<b><u>\$ 352,034</u></b>	<b><u>\$ 3,879,293</u></b>	<b><u>\$ 4,732,781</u></b>
<b><u>DEFERRED INFLOWS</u></b>	<b><u>\$ 399,645</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 399,645</u></b>
<b><u>FUND BALANCE</u></b>				
<b><u>Nonspendable</u></b>	<b><u>\$ 945,852</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 75,985</u></b>	<b><u>\$ 1,021,837</u></b>
<b><u>Restricted for:</u></b>				
Capital Projects	-	54,881	-	54,881
Seized and Forfeited Property	71,020	-	-	71,020
Unemployment Claims	239,545	-	-	239,545
Parklands	62,737	-	-	62,737
Debt Redemption	13,505	-	-	13,505
<b><u>Assigned to:</u></b>				
Special Districts	-	-	5,417,143	5,417,143
Public Safety	29,842	-	-	29,842
Transportation	-	-	9,921	9,921
Subsequent Years Budget	1,300,000	-	705,000	2,005,000
<b><u>Unassigned</u></b>	<b><u>8,398,130</u></b>	<b><u>-</u></b>	<b><u>(2,628,559)</u></b>	<b><u>5,769,571</u></b>
<b><u>TOTAL FUND BALANCES</u></b>	<b><u>\$ 11,060,631</u></b>	<b><u>\$ 54,881</u></b>	<b><u>\$ 3,579,490</u></b>	<b><u>\$ 14,695,002</u></b>
<b><u>TOTAL LIABILITIES AND FUND</u></b>				
<b><u>BALANCES</u></b>	<b><u>\$ 11,961,730</u></b>	<b><u>\$ 406,915</u></b>	<b><u>\$ 7,458,783</u></b>	<b><u>\$ 19,827,428</u></b>

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, 2014

Amounts Reported for the Governmental Activities are Different Because:

Fund Balances - Total Government Funds	\$ 14,695,002
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,583,354
Other long-term assets are not available to pay for current-period expenditures and , therefore, are deferred in the funds.	3,065,000
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(36,610,000)
Sanitary landfill postclosure costs	(5,285,970)
Judgement	(447,570)
Installment Purchase Debt	(21,582)
Compensated absences	(759,173)
Other Post Employment Benefits	(19,518,827)
Accrued interest payable	<u>(376,272)</u>
 Net Assets of Governmental Activities	 <u>\$ (22,676,038)</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, 2014

	General Fund <u>Townwide</u>	Capital <u>Project Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 23,760,173	\$ -	\$ 6,252,552	\$ 30,012,725
Other Tax Items	1,585,257	-	-	1,585,257
Departmental Income	2,700,398	-	3,401,941	6,102,339
Use of Money and Property	484,712	-	13,983	498,695
Licenses and Permits	36,442	-	-	36,442
Fines and Forfeitures	185,456	-	-	185,456
Intergovernmental Income	4,511	-	543,306	547,817
Sale of Property and Compensation for Loss	700,104	-	90,668	790,772
Miscellaneous	270,563	39,790	22,435	332,788
Federal Aid	127,888	332,280	-	460,168
State Aid	559,338	1,711	81,770	642,819
<u>TOTAL REVENUES</u>	<u>\$ 30,414,842</u>	<u>\$ 373,781</u>	<u>\$ 10,406,655</u>	<u>\$ 41,195,278</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 5,635,106	\$ -	\$ 94,640	\$ 5,729,746
Public Safety	11,012,676	-	239,570	11,252,246
Health	20,000	-	1,214,023	1,234,023
Transportation	189,489	-	3,439,574	3,629,063
Economic Assistance Opportunity	105,891	-	-	105,891
Culture and Recreation	2,578,281	-	235,003	2,813,284
Capital Project Expenditures	-	589,696	-	589,696
Home and Community Services	98,937	-	3,527,590	3,626,527
Employee Benefits	7,919,120	-	332,226	8,251,346
Debt Service	2,512,627	-	951,082	3,463,709
<u>TOTAL EXPENDITURES</u>	<u>\$ 30,072,127</u>	<u>\$ 589,696</u>	<u>\$ 10,033,708</u>	<u>\$ 40,695,531</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 342,715</u>	<u>\$ (215,915)</u>	<u>\$ 372,947</u>	<u>\$ 499,747</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From:				
Proceeds From Debt	\$ 2,460,000	\$ -	\$ -	\$ 2,460,000
Operating Transfers In	24,990	215,000	21,382	261,372
Operating Transfers Out	(215,000)	(46,372)	-	(261,372)
<u>TOTAL OTHER FINANCING   SOURCES (USES)</u>	<u>\$ 2,269,990</u>	<u>\$ 168,628</u>	<u>\$ 21,382</u>	<u>\$ 2,460,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>\$ 2,612,705</u>	<u>\$ (47,287)</u>	<u>\$ 394,329</u>	<u>\$ 2,959,747</u>
Fund Balance at Beginning of Year	<u>8,447,926</u>	<u>102,168</u>	<u>3,185,161</u>	<u>11,735,255</u>
Fund Balance at End of Year	<u>\$ 11,060,631</u>	<u>\$ 54,881</u>	<u>\$ 3,579,490</u>	<u>\$ 14,695,002</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, 2014

Amounts Reported for the Governmental Activities are Different Because:

Net Changes in Fund Balances - Total Government Funds \$ 2,959,747

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	979,401
Depreciation	(1,059,182)
Proceeds from sales	(115,383)
Gain on Disposal of Assets	68,566
	<u>(126,598)</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	(428,000)
Sales Tax	5,000
Rental Income	20,000
	<u>(403,000)</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.

Bond Proceeds	(2,460,000)
Principal paid on bonds	2,180,000
Principal paid on BANs	193,000
Principal paid on installment debt	20,740
	<u>(66,260)</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
Judgements	49,730
Other Post Employment Benefits	(2,638,733)
Compensated absences	32,809
Accrued interest	(51,832)
	<u>(2,314,361)</u>

Change in Net Assets of Governmental Activities \$ 49,528

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, 2014

	GENERAL FUND			
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Real Property Taxes	\$ 23,743,100	\$ 23,743,100	\$ 23,760,173	\$ 17,073
Other Tax Items	965,000	965,000	1,585,257	620,257
Departmental Income	2,302,000	2,302,000	2,700,398	398,398
Intergovernmental Charges	-	-	4,511	4,511
Use of Money and Property	475,000	475,000	484,712	9,712
Licenses and Permits	20,000	20,000	36,442	16,442
Gifts and Donations	-	-	-	-
Fines and Forfeitures	90,000	90,000	185,456	95,456
Sale of Property and Compensation for Loss	1,000	1,000	700,104	699,104
Miscellaneous	50,000	50,000	270,563	220,563
Federal Aid	10,000	10,000	127,888	117,888
State Aid	450,000	450,000	559,338	109,338
<b>TOTAL REVENUES</b>	<b>\$ 28,106,100</b>	<b>\$ 28,106,100</b>	<b>\$ 30,414,842</b>	<b>\$ 2,308,742</b>
<b>EXPENDITURES</b>				
General Government Support	\$ 3,586,000	\$ 5,891,303	\$ 5,635,106	\$ 256,197
Public Safety	11,377,000	11,438,500	11,012,676	425,824
Health	20,100	20,100	20,000	100
Transportation	189,500	191,000	189,489	1,511
Economic Assistance Opportunity	166,500	166,500	105,891	60,609
Culture and Recreation	2,717,000	2,756,000	2,578,281	177,719
Home and Community Services	285,000	256,000	98,937	157,063
Employee Benefits	8,345,000	8,387,000	7,919,120	467,880
Debt Service	2,520,000	2,520,000	2,512,627	7,373
<b>TOTAL EXPENDITURES</b>	<b>\$ 29,206,100</b>	<b>\$ 31,626,403</b>	<b>\$ 30,072,127</b>	<b>\$ 1,554,276</b>
Excess (Deficiency) of Revenues Over Expenditures	<b>\$ (1,100,000)</b>	<b>\$ (3,520,303)</b>	<b>\$ 342,715</b>	<b>\$ 3,863,018</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From:				
Operating Transfers In	\$ -	\$ -	\$ 24,990	\$ 24,990
Proceeds From Debt	-	2,420,303	2,460,000	39,697
Operating Transfers Out	(300,000)	(300,000)	(215,000)	85,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (300,000)</b>	<b>\$ 2,120,303</b>	<b>\$ 2,269,990</b>	<b>\$ 149,687</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<b>\$ (1,400,000)</b>	<b>\$ (1,400,000)</b>	<b>\$ 2,612,705</b>	<b>\$ 4,012,705</b>
Fund Balance at Beginning of Year	8,447,926	8,447,926	8,447,926	-
Fund Balance at End of Year	<b>\$ 7,047,926</b>	<b>\$ 7,047,926</b>	<b>\$ 11,060,631</b>	<b>\$ 4,012,705</b>

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

TOWN OF HAVERSTRAW  
STATEMENT OF FIDUCIARY NET ASSETS  
DECEMBER 31, 2014

	<u>Agency Funds</u>
<u>ASSETS</u>	
<u>CASH</u>	
Demand Deposit	\$ 259,860
<u>TOTAL ASSETS</u>	<u>\$ 259,860</u>
 <u>LIABILITIES</u>	
<u>LIABILITIES</u>	
Escrow and Other Deposits	\$ 255,149
Due to General Fund	-
Employee Payroll Deductions	<u>4,711</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 259,860</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, 2014

	Balance January 1, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2014</u>
<u>ASSETS</u>				
<u>CASH</u>				
Demand Deposit	\$ 267,659	\$ 225,975	\$ 233,774	\$ 259,860
<u>TOTAL ASSETS</u>	<u>\$ 267,659</u>	<u>\$ 225,975</u>	<u>\$ 233,774</u>	<u>\$ 259,860</u>
 <u>LIABILITIES</u>				
<u>LIABILITIES</u>				
Escrow and Other Deposits	\$ 262,137	\$ 284,196	\$ 291,184	\$ 255,149
Due to General Fund	-	-	-	-
Employee Payroll Deductions	<u>5,522</u>	<u>12,831</u>	<u>13,642</u>	<u>4,711</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 267,659</u>	<u>\$ 297,027</u>	<u>\$ 304,826</u>	<u>\$ 259,860</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, 2014

**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.

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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.

**B. BASIS OF PRESENTATION**

- i) Town-wide statements:

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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.

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

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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.

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.

**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.

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**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 prior to year end, which are for items that have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in the governmental funds are equally offset by nonspendable fund balance.

**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.

**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.

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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 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.

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**K. UNEARNED REVENUE**

Unearned revenues are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned 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. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows and resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**M. 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.

**N. 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.

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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	\$ 71,020
Unemployment Claims	239,545
Parklands	62,737
Debt Redemption	13,505
Capital Fund	<u>54,881</u>
 Total Restricted Funds	 <u>\$ 441,688</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, 2014.

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**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. The Town reports \$5,417,143 assigned to special revenue funds. All encumbrances are classified as Assigned Fund Balance. Encumbrances totaled \$29,842 in the General Fund and \$9,921 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. In addition, the deficit in the Urban Renewal Fund is reported as unassigned.

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.

**O. 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 assigned fund balances since they do not constitute expenditures or liabilities.

**P. NEW ACCOUNTING STANDARDS**

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

**Q. FUTURE CHANGES IN ACCOUNTING STANDARDS**

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

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**R. USE OF ESTIMATES**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**S. RECLASSIFICATIONS**

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

**T. SUBSEQUENT EVENTS EVALUATION BY MANAGEMENT**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 15, 2015.

**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.

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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.

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**

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

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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.

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, 2014 \$1,073,126 was collected.

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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.

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)	\$	1,750,000
B)	\$	12,573,163
C)	\$	-0-

**TOWN OF HAVERSTRAW**  
**NOTES TO FINANCIAL STATEMENTS**  
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**B. CAPITAL ASSETS**

Capital asset balances and activity for the year ended December 31, 2014 were as follows:

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
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	\$ 12,344,810	\$ 177,022	\$ -	\$ 12,521,832
Land Improvements	5,236,801	-	-	5,236,801
Furniture & Equipment	2,965,753	106,934	(244,105)	2,828,582
Motor Equipment	3,107,549	229,391	(177,142)	3,159,798
Infrastructure	4,244,439	441,054	-	4,685,493
Total depreciable historical cost	<u>\$ 27,899,352</u>	<u>\$ 954,401</u>	<u>\$ (421,247)</u>	<u>\$ 28,432,506</u>
Less accumulated depreciation:				
Buildings & Improvements	\$ 5,067,322	\$ 317,793	\$ -	\$ 5,385,115
Land Improvements	2,526,748	256,261	-	2,783,009
Furniture & Equipment	1,870,209	179,671	(240,562)	1,809,318
Motor Equipment	2,521,689	150,437	(158,868)	2,513,258
Infrastructure	908,740	155,020	-	1,063,760
Total accumulated depreciation	<u>\$ 12,894,708</u>	<u>\$ 1,059,182</u>	<u>\$ (399,430)</u>	<u>\$ 13,554,460</u>
Total depreciable historical cost, net	<u>\$ 22,709,952</u>	<u>\$ (104,781)</u>	<u>\$ (21,817)</u>	<u>\$ 22,583,354</u>

Depreciation expense was not allocated to governmental functions.

**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.

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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, 2014 the total short-term debt outstanding indebtedness of the Town is \$1,000,000 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	11/14	1.30%	\$ 1,000,000

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

Interest paid	\$ 20,997
Less interest accrued in the prior year	(2,391)
Plus interest accrued in the current year	<u>1,460</u>
Total expense	<u>\$ 20,066</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.

At December 31, 2014 the total outstanding indebtedness of the Town aggregated \$36,610,000. All of this amount was subject to the constitutional debt limit and represented approximately 17.35% of the Town's debt limit.

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

Interest paid	\$ 1,287,692
Less interest accrued in the prior year	(322,049)
Plus interest accrued in the current year	<u>374,812</u>
Total expense	<u>\$ 1,340,455</u>

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

	<u>Beginning</u>			<u>Ending</u>	<u>Amounts</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Due Within</u>
					<u>One Year</u>
Government activities:					
Bonds and notes payable:					
General obligation debt:					
Serial Bonds Payable	\$ 29,405,000	\$ 2,460,000	\$ 1,315,000	\$ 30,550,000	\$ 1,375,000
State Clean Water Bonds	4,040,000	-	630,000	3,410,000	650,000
State Clean Water Bonds - Sewer	<u>2,885,000</u>	<u>-</u>	<u>235,000</u>	<u>2,650,000</u>	<u>235,000</u>
Total bonds & notes payable	<u>\$ 36,330,000</u>	<u>\$ 2,460,000</u>	<u>\$ 2,180,000</u>	<u>\$ 36,610,000</u>	<u>\$ 2,260,000</u>
Other liabilities:					
Sanitary Landfill Postclosure Costs	\$ 5,579,635	\$ -	\$ 293,665	\$ 5,285,970	\$ 293,665
Judgement	497,300	-	49,730	447,570	49,730
Installment Purchase Debt	42,322	-	20,740	21,582	21,582
Other Postemployment Benefits	16,880,094	3,676,442	1,037,709	19,518,827	1,050,000
Compensated absences	<u>791,982</u>	<u>124,671</u>	<u>157,480</u>	<u>759,173</u>	<u>113,876</u>
Total other liabilities	<u>\$ 23,791,333</u>	<u>\$ 3,801,113</u>	<u>\$ 1,559,324</u>	<u>\$ 26,033,122</u>	<u>\$ 1,528,853</u>
Total long-term liabilities	<u>\$ 60,121,333</u>	<u>\$ 6,261,113</u>	<u>\$ 3,739,324</u>	<u>\$ 62,643,122</u>	<u>\$ 3,788,853</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.

Sewer debt of \$1,100,000 has been authorized but remains unissued at December 31, 2014.

The Town reports \$399,645 of bond premium as deferred inflow. These amounts are being amortized over the life of the associated debt.

The following is a summary of maturity of indebtedness at December 31, 2014:

<u>Serial Bonds</u>	<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>
Tax Certioari	2014	4/2034	3.00-4.00	\$ 2,460,000
Tax Certioari	2012	3/2037	3.00-4.00	\$ 23,010,000
Letchworth Property	2008	5/2028	6.00	\$ 2,725,000
Refunding	2010	3/2020	1.50-2.50	<u>\$ 2,355,000</u>
				<u>\$ 30,550,000</u>

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**State Clean Water and Drinking  
Water Revolving Funds**

<u>Revenue Bonds</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
Sanitary Landfill Ref.	2012	10/2016	1.03-4.42	\$ 3,410,000
Sewer Improvements	2003	7/2016	.79-4.50	\$ 805,000
Sewer Improvements	2005	7/2016	1.94-4.264	\$ 1,845,000
				<u>\$ 6,060,000</u>

<u>Maturity Year(s)</u>	<u>Bonds</u>	<u>Interest</u>	<u>Total</u>
2015	2,260,000	1,316,060	3,576,060
2016	2,345,000	1,199,106	3,544,106
2017	2,385,000	1,117,391	3,502,391
2018	2,405,000	1,033,591	3,438,591
2019	2,460,000	943,036	3,403,036
5 Subsequent years	7,555,000	3,723,712	11,278,712
5 Subsequent years	6,775,000	2,401,512	9,176,512
5 Subsequent years	6,505,000	1,285,463	7,790,463
5 Subsequent years	3,920,000	217,593	4,137,593
Total	<u>\$ 36,610,000</u>	<u>\$ 13,237,464</u>	<u>\$ 49,847,464</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.

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

Funding Policy

The System is noncontributory except for employees in tiers 3 and 4 that have less than 10 years of service, who contribute 3% of their salary, employees in tier 5 who also contribute 3% of their salary without regard to years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of 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.

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

	<u>ERS</u>	<u>PFRS</u>
2014	\$ 1,013,137	\$ 3,035,813
2013	\$ 1,048,825	\$ 2,657,125
2012	\$ 1,001,473	\$ 2,150,172

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.

**F. POST RETIREMENT BENEFITS**

The premiums paid plus Medicare B reimbursement during the year was \$1,037,709. The premiums consisted of 17 individuals at \$408.77 per month, 2 individual at \$771.54 per month, 29 families at \$1,714.19 per month, 10 families at \$1,351.42 per month, and 15 families at \$988.69 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.

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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, 2014 the Town recognized \$1,037,709 for its share of insurance costs currently for enrolled retirees.

The Town has obtained an actuarial valuation report as of December 31, 2014 which indicates that the net OPEB obligation for other post employment benefits is \$19,518,827, which is reflected in the Statement of Net Position.

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 2014, the Town contributed \$1,037,709 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:

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

Annual required contribution as of December 31, 2014	\$ 3,977,416
Interest on net OPEB obligation	675,204
Adjustment to annual required contribution	<u>(976,178)</u>
Annual OPEB cost (expense)	\$ 3,676,442
Contributions made	<u>(1,037,709)</u>
Increase in net OPEB obligation	\$ 2,638,733
Net OPEB obligation-beginning of year	<u>16,880,094</u>
Net OPEB obligation-end of year	<u>\$ 19,518,827</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 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>
12/31/2014	\$ 3,676,442	28.23%	\$ 19,518,827
12/31/2013	\$ 3,529,739	25.87%	\$ 16,880,094
12/31/2012	\$ 4,404,470	18.25%	\$ 14,263,392

Funded Status and Funding Progress:

As of January 1, 2014, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial liability for benefit was \$60,275,977, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$60,275,977. The covered payroll (annual payroll of active employees covered by the plan) was \$14,988,040, and the ratio of the UAAL to the covered payroll was 4.02. 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

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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, 2014, 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, 2014, was 30 years.

**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 \$759,173.

**H. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables at December 31, 2014 were as follows:

<u>Fund Type</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Townwide	\$ 2,979,535	\$ 636
Highway Townwide	1,505	-
Lighting District	636	-
Urban Renewal Agency	-	2,629,926
Capital Projects	-	351,114
<u>TOTAL</u>	<u>\$ 2,981,676</u>	<u>\$ 2,981,676</u>

**I. DEFICIT FUND BALANCE**

Urban Renewal Agency reflects a deficit of (\$2,628,559). 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.

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

**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, 2014 were approximately \$119,954. The maximum future non-cancelable operating lease payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
2015	\$ 65,708
2016	\$ 65,708
2017	\$ 2,078

The Town has also entered into long-term contracts pertaining to garbage collection and disposal. The total expenditures incurred under such contracts for the fiscal year ended December 31, 2014 were approximately \$474,000. The future estimated payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
2015	\$ 474,000
2016	\$ 474,000

The Town is obligated under certain leases accounted for as capital leases. Assets under capital leases totaled \$103,517 at December 31, 2014. 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, 2014.

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2015	22,458
Minimum Lease Payments	\$ 22,458
Less: Amount Representing Interest	<u>( 876)</u>
Present Value - Minimum Lease Payments	<u>\$ 21,582</u>

**V. CONTINGENCIES**

**A. FEDERAL AND STATE GRANTS**

The local government has received grants in excess of \$400,000 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.

TOWN OF HAVERSTRAW  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

**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.

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 \$5,285,970. This amount represents the estimated costs for maintaining and monitoring the landfill for the next 18 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.

**C. SUBSEQUENT EVENT**

The Town elected to become self insured for workers compensation effective January 1, 2015. On February 9, 2015 the Town Board authorized a reserve for workers compensation in the amount of \$600,000.

TOWN OF HAVERSTRAW  
GENERAL FUND  
BALANCE SHEET  
DECEMBER 31, 2014

ASSETS

CASH

Demand Deposits	\$ 7,103,139
Restricted Deposits	386,807
Departmental Petty Cash	150
<u>TOTAL CASH</u>	<u>\$ 7,490,096</u>

RECEIVABLES

Accounts Receivable	\$ 542,088
Due from Other Governments	4,159
Due from Other Funds	2,979,535
<u>TOTAL RECEIVABLES</u>	<u>\$ 3,525,782</u>

OTHER ASSETS

Prepaid Expenditures	\$ 945,852
<u>TOTAL OTHER ASSETS</u>	<u>\$ 945,852</u>

TOTAL ASSETS

\$ 11,961,730

LIABILITIES & FUND BALANCES

LIABILITIES

Accounts Payable	\$ 205,646
Accrued Liabilities	287,353
Unearned Revenue	7,819
Due to Other Funds	636
<u>TOTAL LIABILITIES</u>	<u>\$ 501,454</u>

DEFERRED INFLOWS

\$ 399,645

FUND BALANCE

<b>Nonspendable</b>	\$ 945,852
<b>Restricted for:</b>	
Seized and Forfeited Property	71,020
Unemployment Claims	239,545
Parklands	62,737
Debt Redemption	13,505
<b>Assigned to:</b>	
Public Safety	29,842
Subsequent Years Budget	1,300,000
<b>Unassigned</b>	8,398,130
<u>TOTAL FUND BALANCES</u>	<u>\$ 11,060,631</u>

TOTAL LIABILITIES AND FUND  
BALANCES

\$ 11,961,730

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, 2014

REVENUES

Real Property Taxes	\$ 23,760,173
Other Tax Items	1,585,257
Departmental Income	2,700,398
Intergovernmental Charges	4,511
Use of Money and Property	484,712
Licenses and Permits	36,442
Gifts and Donations	-
Fines and Forfeitures	185,456
Sale of Property and Compensation for Loss	700,104
Miscellaneous	270,563
Federal Aid	127,888
State Aid	559,338
<u>TOTAL REVENUES</u>	<u>\$ 30,414,842</u>

EXPENDITURES

General Government Support	\$ 5,635,106
Public Safety	11,012,676
Health	20,000
Transportation	189,489
Economic Assistance Opportunity	105,891
Culture and Recreation	2,578,281
Home and Community Services	98,937
Employee Benefits	7,919,120
Debt Service	2,512,627
<u>TOTAL EXPENDITURES</u>	<u>\$ 30,072,127</u>

Excess (Deficiency) of Revenues Over Expenditures	\$ 342,715
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OTHER FINANCING SOURCES (USES)

Proceeds From:	
Operating Transfers In	\$ 24,990
Proceeds From Debt	2,460,000
Operating Transfers Out	(215,000)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ 2,269,990</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	\$ 2,612,705
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Fund Balance at Beginning of Year	<u>8,447,926</u>
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Fund Balance at End of Year	<u>\$ 11,060,631</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, 2014

ASSETS

CASH

Demand Deposit	\$ 162,875
<u>TOTAL CASH</u>	<u>\$ 162,875</u>

RECEIVABLES

Accounts Receivable	\$ 244,040
<u>TOTAL RECEIVABLES</u>	<u>\$ 244,040</u>

<u>TOTAL ASSETS</u>	<u>\$ 406,915</u>
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LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$ 920
Due to Other Funds	351,114
<u>TOTAL LIABILITIES</u>	<u>\$ 352,034</u>

FUND BALANCE

<b>Restricted for:</b>	
Capital Projects	\$ 54,881
<u>TOTAL FUND BALANCE</u>	<u>\$ 54,881</u>

<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 406,915</u>
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The accompanying notes are an integral part of the financial statements.

TOWN OF HAVERSTRAW  
CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2014

REVENUES

Federal Aid	\$ 332,280
State Aid	1,711
Miscellaneous	39,790
Transfers from Other Funds	<u>215,000</u>
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 588,781</u>

EXPENDITURES

Capital Projects Expenditures	\$ 589,696
Transfers to Other Funds	<u>46,372</u>
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 636,068</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (47,287)
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Fund Balance at Beginning of Year	<u>102,168</u>
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Fund Balance at End of Year	<u><u>\$ 54,881</u></u>
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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, 2014

	General Fund Town Outside <u>Villages</u>	Highway Fund Townwide (DA) <u>Townwide (DA)</u>	Highway Fund Town Outside <u>Villages (DB)</u>	Special District Fund <u>Sewer</u>
<u>ASSETS</u>				
<u>CASH</u>				
Demand Deposits	\$ 1,264,358	\$ 1,639,558	\$ 924,200	\$ 1,061,760
Restricted Deposits	-	-	-	-
Petty Cash	-	-	-	-
<u>TOTAL CASH</u>	<u>\$ 1,264,358</u>	<u>\$ 1,639,558</u>	<u>\$ 924,200</u>	<u>\$ 1,061,760</u>
<u>RECEIVABLES</u>				
Accounts Receivable	\$ 8,684	\$ 12,200	\$ 70	\$ 1,000,000
Due From Other Funds	-	1,505	-	-
<u>TOTAL RECEIVABLES</u>	<u>\$ 8,684</u>	<u>\$ 13,705</u>	<u>\$ 70</u>	<u>\$ 1,000,000</u>
<u>OTHER ASSETS</u>				
Prepaid Expenditures	\$ 17,730	\$ 25,328	\$ 25,328	\$ 7,599
<u>TOTAL OTHER ASSETS</u>	<u>\$ 17,730</u>	<u>\$ 25,328</u>	<u>\$ 25,328</u>	<u>\$ 7,599</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,290,772</u>	<u>\$ 1,678,591</u>	<u>\$ 949,598</u>	<u>\$ 2,069,359</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 25,765	\$ 107,939	\$ 2,589	\$ 114
Accrued Liabilities	3,595	25,310	12,254	1,414
Unearned Revenue	-	-	-	-
Bond Anticipation Notes	-	-	-	1,000,000
Due to Other Funds	-	-	-	-
<u>TOTAL LIABILITIES</u>	<u>\$ 29,360</u>	<u>\$ 133,249</u>	<u>\$ 14,843</u>	<u>\$ 1,001,528</u>
<u>FUND BALANCE</u>				
<u>Nonspendable</u>	\$ 17,730	\$ 25,328	\$ 25,328	\$ 7,599
<u>Assigned to:</u>				
Special Revenue Funds	1,043,682	1,360,093	859,427	960,232
Transportation	-	9,921	-	-
Subsequent Years' Expenditures	200,000	150,000	50,000	100,000
<u>Unassigned</u>	-	-	-	-
<u>TOTAL FUND BALANCE</u>	<u>\$ 1,261,412</u>	<u>\$ 1,545,342</u>	<u>\$ 934,755</u>	<u>\$ 1,067,831</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 1,290,772</u>	<u>\$ 1,678,591</u>	<u>\$ 949,598</u>	<u>\$ 2,069,359</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 2014</u>
\$ 71,686	\$ 45,488	\$ 75,485	\$ 1,209,916	\$ 1,421	\$ 6,293,872
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 71,686</u>	<u>\$ 45,488</u>	<u>\$ 75,485</u>	<u>\$ 1,209,916</u>	<u>\$ 1,421</u>	<u>\$ 6,293,872</u>
\$ -	\$ -	\$ -	\$ 65,831	\$ -	\$ 1,086,785
-	636	-	-	-	2,141
-	636	-	65,831	-	1,088,926
<u>\$ -</u>	<u>\$ 636</u>	<u>\$ -</u>	<u>\$ 65,831</u>	<u>\$ -</u>	<u>\$ 1,088,926</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,985
-	-	-	-	-	75,985
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,985</u>
<u>\$ 71,686</u>	<u>\$ 46,124</u>	<u>\$ 75,485</u>	<u>\$ 1,275,747</u>	<u>\$ 1,421</u>	<u>\$ 7,458,783</u>
\$ -	\$ 15,641	\$ -	\$ 54,692	\$ 54	\$ 206,794
-	-	-	-	-	42,573
-	-	-	-	-	-
-	-	-	-	-	1,000,000
-	-	-	-	2,629,926	2,629,926
<u>\$ -</u>	<u>\$ 15,641</u>	<u>\$ -</u>	<u>\$ 54,692</u>	<u>\$ 2,629,980</u>	<u>\$ 3,879,293</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,985
71,686	25,483	75,485	1,021,055	-	5,417,143
-	-	-	-	-	9,921
-	5,000	-	200,000	-	705,000
-	-	-	-	(2,628,559)	(2,628,559)
<u>\$ 71,686</u>	<u>\$ 30,483</u>	<u>\$ 75,485</u>	<u>\$ 1,221,055</u>	<u>\$ (2,628,559)</u>	<u>\$ 3,579,490</u>
<u>\$ 71,686</u>	<u>\$ 46,124</u>	<u>\$ 75,485</u>	<u>\$ 1,275,747</u>	<u>\$ 1,421</u>	<u>\$ 7,458,783</u>

TOWN OF HAVERSTRAW  
NONMAJOR FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund Town Outside <u>Village</u>	Highway Fund Townwide (DA) <u>Townwide (DA)</u>	Highway Fund Town Outside <u>Village (DB)</u>	Special District Fund <u>Sewer</u>
<u>REVENUES</u>				
Real Property Taxes	\$ 1,057,948	\$ 1,845,000	\$ 1,650,282	\$ 379,711
Other Tax Items	-	-	-	-
Departmental Income	187,489	24,583	32,158	2,137,956
Intergovernmental Charges	-	10,487	29,205	503,614
Interest Earnings	3,931	4,442	2,764	796
Licenses and Permits	-	-	-	-
Gifts and Donations	-	-	-	-
Sale of Property and Compensation for Loss	-	86,725	3,943	-
Miscellaneous	-	20,831	1,604	-
Federal Aid	-	-	-	-
State Aid	-	81,770	-	-
Refund of Prior Year Expenditures	-	-	-	-
<u>TOTAL REVENUE</u>	<u>\$ 1,249,368</u>	<u>\$ 2,073,838</u>	<u>\$ 1,719,956</u>	<u>\$ 3,022,077</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 68,399	\$ -	\$ -	\$ 26,241
Public Safety	239,570	-	-	-
Cultural & Recreation	235,003	-	-	-
Transportation	-	1,874,398	1,565,176	-
Home and Community Services	366,812	-	-	2,278,478
Health	-	-	-	-
Employee Benefits	270,482	-	-	61,744
Debt Service	-	18,158	-	503,614
<u>TOTAL EXPENDITURES</u>	<u>\$ 1,180,266</u>	<u>\$ 1,892,556</u>	<u>\$ 1,565,176</u>	<u>\$ 2,870,077</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	\$ -	\$ -	\$ 21,382	\$ -
Operating Transfers Out	-	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,382</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 69,102	\$ 181,282	\$ 176,162	\$ 152,000
Fund Balance at Beginning of Year	<u>1,192,310</u>	<u>1,364,060</u>	<u>758,593</u>	<u>915,831</u>
Fund Balance at End of Year	<u>\$ 1,261,412</u>	<u>\$ 1,545,342</u>	<u>\$ 934,755</u>	<u>\$ 1,067,831</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 2014</u>
\$ 472,907	\$ 166,287	\$ 271,265	\$ 409,152	\$ -	\$ 6,252,552
-	-	-	-	-	-
-	-	-	1,019,755	-	3,401,941
-	-	-	-	-	543,306
139	56	86	1,769	-	13,983
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	90,668
-	-	-	-	-	22,435
-	-	-	-	-	-
-	-	-	-	-	81,770
-	-	-	-	-	-
<u>\$ 473,046</u>	<u>\$ 166,343</u>	<u>\$ 271,351</u>	<u>\$ 1,430,676</u>	<u>\$ -</u>	<u>\$ 10,406,655</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,640
-	-	-	-	-	239,570
-	-	-	-	-	235,003
-	-	-	-	-	3,439,574
473,055	173,848	234,458	-	939	3,527,590
-	-	-	1,214,023	-	1,214,023
-	-	-	-	-	332,226
-	-	-	138,908	290,402	951,082
<u>\$ 473,055</u>	<u>\$ 173,848</u>	<u>\$ 234,458</u>	<u>\$ 1,352,931</u>	<u>\$ 291,341</u>	<u>\$ 10,033,708</u>
\$ -	\$ -	\$ -	\$ -	\$ -	21,382
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,382</u>
\$ (9)	\$ (7,505)	\$ 36,893	\$ 77,745	\$ (291,341)	\$ 394,329
<u>71,695</u>	<u>37,988</u>	<u>38,592</u>	<u>1,143,310</u>	<u>(2,337,218)</u>	<u>\$ 3,185,161</u>
<u>\$ 71,686</u>	<u>\$ 30,483</u>	<u>\$ 75,485</u>	<u>\$ 1,221,055</u>	<u>\$ (2,628,559)</u>	<u>\$ 3,579,490</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, 2014

	Town Outside Village			
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>				
Real Property Taxes	\$ 1,057,500	\$ 1,057,500	\$ 1,057,948	\$ 448
Interest Earnings	-	-	3,931	3,931
Departmental Income	127,000	127,000	187,489	60,489
State Aid	-	-	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 1,184,500</u>	<u>\$ 1,184,500</u>	<u>\$ 1,249,368</u>	<u>\$ 64,868</u>
<u>EXPENDITURES</u>				
General Government	\$ 140,000	\$ 125,000	\$ 68,399	\$ 56,601
Public Safety	255,000	255,000	239,570	15,430
Culture & Recreation	255,000	255,000	235,003	19,997
Home and Community Services	414,000	429,000	366,812	62,188
Employee Benefits	320,500	320,500	270,482	50,018
Interfund Transfers	-	-	-	-
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 1,384,500</u>	<u>\$ 1,384,500</u>	<u>\$ 1,180,266</u>	<u>\$ 204,234</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	-	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (200,000)	\$ (200,000)	\$ 69,102	\$ 269,102
Fund Balance at Beginning of Year	1,192,310	1,192,310	1,192,310	-
Fund Balance at End of Year	<u>\$ 992,310</u>	<u>\$ 992,310</u>	<u>\$ 1,261,412</u>	<u>\$ 269,102</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, 2014

	Highway Fund Townwide (DA)			Highway Fund Outside Village (DB)				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>								
Real Property Taxes	\$ 1,845,000	\$ 1,845,000	\$ 1,845,000	\$ -	\$ 1,649,000	\$ 1,649,000	\$ 1,650,282	\$ 1,282
Interest Earnings	5,000	5,000	4,442	(558)	2,000	2,000	2,764	764
Services to Other Governments	85,000	85,000	24,583	(60,417)	18,000	18,000	32,158	14,158
Sale of Equipment and Insurance Recoveries	-	30,000	86,725	56,725	-	-	3,943	3,943
Miscellaneous	5,000	5,000	20,831	15,831	-	-	1,604	1,604
State Aid	15,000	35,000	81,770	46,770	10,000	10,000	-	(10,000)
Federal Aid	-	-	-	-	-	-	-	-
Intergovernmental Charges	-	-	10,487	10,487	-	-	29,205	29,205
<b>TOTAL REVENUES AND TRANSFERS</b>	<b>\$ 1,955,000</b>	<b>\$ 2,005,000</b>	<b>\$ 2,073,838</b>	<b>\$ 68,838</b>	<b>\$ 1,679,000</b>	<b>\$ 1,679,000</b>	<b>\$ 1,719,956</b>	<b>\$ 40,956</b>
<b>EXPENDITURES</b>								
Transportation	\$ 2,086,000	\$ 2,136,000	\$ 1,874,398	\$ 261,602	\$ 1,779,000	\$ 1,779,000	\$ 1,565,176	\$ 213,824
Debt Service	19,000	19,000	18,158	842	-	-	-	-
Interfund Expenditure	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$ 2,105,000</b>	<b>\$ 2,155,000</b>	<b>\$ 1,892,556</b>	<b>\$ 262,444</b>	<b>\$ 1,779,000</b>	<b>\$ 1,779,000</b>	<b>\$ 1,565,176</b>	<b>\$ 213,824</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,382	\$ 21,382
Operating Transfers Out	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,382</b>	<b>\$ 21,382</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (150,000)	\$ (150,000)	\$ 181,282	\$ 331,282	\$ (100,000)	\$ (100,000)	\$ 176,162	\$ 276,162
Fund Balance at Beginning of Year	1,364,060	1,364,060	1,364,060	-	758,593	758,593	758,593	-
Fund Balance at End of Year	\$ 1,214,060	\$ 1,214,060	\$ 1,545,342	\$ 331,282	\$ 658,593	\$ 658,593	\$ 934,755	\$ 276,162

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, 2014

	Sewer Fund			Sanitation				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>								
Real Property Taxes	\$ 378,500	\$ 378,500	\$ 379,711	\$ 1,211	\$ 550,000	\$ 550,000	\$ 472,907	\$ (77,093)
Interest Earnings	2,000	2,000	796	(1,204)	-	-	139	139
Rents and Charges	2,110,000	2,110,000	2,137,956	27,956	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
State Aid	-	-	-	-	-	-	-	-
Federal Aid	-	-	-	-	-	-	-	-
Debt Service Revenue	418,000	511,000	503,614	(7,386)	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES AND TRANSFERS</b>	<b>\$ 2,908,500</b>	<b>\$ 3,001,500</b>	<b>\$ 3,022,077</b>	<b>\$ 20,577</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>	<b>\$ 473,046</b>	<b>\$ (76,954)</b>
<b>EXPENDITURES</b>								
General Government	\$ 40,000	\$ 40,000	\$ 26,241	\$ 13,759	\$ -	\$ -	\$ -	\$ -
Home and Community Services	2,475,000	2,475,000	2,278,478	196,522	550,000	550,000	473,055	76,945
Employee Benefits	75,500	75,500	61,744	13,756	-	-	-	-
Debt Service	418,000	511,000	503,614	7,386	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>\$ 3,008,500</b>	<b>\$ 3,101,500</b>	<b>\$ 2,870,077</b>	<b>\$ 231,423</b>	<b>\$ 550,000</b>	<b>\$ 550,000</b>	<b>\$ 473,055</b>	<b>\$ 76,945</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (100,000)	\$ (100,000)	\$ 152,000	\$ 252,000	\$ -	\$ -	\$ (9)	\$ (9)
Fund Balance at Beginning of Year	915,831	915,831	915,831	-	71,695	71,695	71,695	-
Fund Balance at End of Year	\$ 815,831	\$ 815,831	\$ 1,067,831	\$ 252,000	\$ 71,695	\$ 71,695	\$ 71,686	\$ (9)

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, 2014

	Lighting Fund			Water Fund				
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>								
Real Property Taxes	\$ 165,000	\$ 165,000	\$ 166,287	\$ 1,287	\$ 270,000	\$ 270,000	\$ 271,265	\$ 1,265
Interest Earnings	-	-	56	56	-	-	86	86
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$ 166,343</u>	<u>\$ 1,343</u>	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 271,351</u>	<u>\$ 1,351</u>
<u>EXPENDITURES</u>								
Home and Community Services	\$ 170,000	\$ 175,000	\$ 173,848	\$ 1,152	\$ 270,000	\$ 270,000	\$ 234,458	\$ 35,542
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 170,000</u>	<u>\$ 175,000</u>	<u>\$ 173,848</u>	<u>\$ 1,152</u>	<u>\$ 270,000</u>	<u>\$ 270,000</u>	<u>\$ 234,458</u>	<u>\$ 35,542</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (5,000)	\$ (10,000)	\$ (7,505)	\$ 2,495	\$ -	\$ -	\$ 36,893	\$ 36,893
Fund Balance at Beginning of Year	37,988	37,988	37,988	-	38,592	38,592	38,592	-
Fund Balance at End of Year	\$ 32,988	\$ 27,988	\$ 30,483	\$ 2,495	\$ 38,592	\$ 38,592	\$ 75,485	\$ 36,893

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

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, 2014

	<u>Ambulance</u>			<u>Urban Renewal Agency</u>				
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<u>REVENUES</u>								
Real Property Taxes	\$ 408,000	\$ 408,000	\$ 409,152	\$ 1,152	\$ -	\$ -	\$ -	\$ -
Ambulance Charges	780,000	780,000	1,019,755	239,755	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Interest Earnings	2,000	2,000	1,769	(231)	-	-	-	-
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 1,190,000</u>	<u>\$ 1,190,000</u>	<u>\$ 1,430,676</u>	<u>\$ 240,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>EXPENDITURES</u>								
Home & Community	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 939	\$ (939)
Health	1,250,000	1,250,000	1,214,023	35,977	-	-	-	-
Debt Service	140,000	140,000	138,908	1,092	-	-	290,402	(290,402)
<u>TOTAL EXPENDITURES AND TRANSFERS</u>	<u>\$ 1,390,000</u>	<u>\$ 1,390,000</u>	<u>\$ 1,352,931</u>	<u>\$ 37,069</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 291,341</u>	<u>\$ (291,341)</u>
<u>OTHER FINANCING SOURCES (USES)</u>								
Operating Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	-	-	-	-	-	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (200,000)	\$ (200,000)	\$ 77,745	\$ 277,745	\$ -	\$ -	\$ (291,341)	\$ (291,341)
Fund Balance at Beginning of Year	1,143,310	1,143,310	1,143,310	-	(2,337,218)	(2,337,218)	(2,337,218)	-
Fund Balance at End of Year	<u>\$ 943,310</u>	<u>\$ 943,310</u>	<u>\$ 1,221,055</u>	<u>\$ 277,745</u>	<u>\$ (2,337,218)</u>	<u>\$ (2,337,218)</u>	<u>\$ (2,628,559)</u>	<u>\$ (291,341)</u>

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, 2014**

<u>PROJECT</u>	<u>Expenditures to Date</u>			
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Ambulance Building	\$ 2,975,000	\$ 2,919,193	\$ -	\$ 2,919,193
Belgian Block 2012	110,000	84,237	9,134	93,371
Cheesecote Mountain Imp.	150,000	136,093	-	136,093
Crack Sealing & Micro surfacing	170,000	150,329	-	150,329
Town Hall Roof	85,000	72,210	-	72,210
Emergency Protective Measures	100,000	64,340	-	64,340
Landfill Stormwater Drainage	80,000	-	79,580	79,580
Police Station Roof	75,000	-	62,800	62,800
Access Control	100,000	-	87,442	87,442
Bowline Shore Mitigation	420,000	-	350,740	350,740
	<u>\$ 4,265,000</u>	<u>\$ 3,426,402</u>	<u>\$ 589,696</u>	<u>\$ 4,016,098</u>

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

Unexpended Balance	Methods of Financing				Fund Balance at December 31, 2014
	Proceeds of Obligations	Other	Transfers	Total	
\$ 55,807	\$ 2,300,000	\$ -	\$ 675,000	\$ 2,975,000	\$ 55,807
16,629	-	40,622	57,515	98,137	4,766
13,907	-	129,096	6,997	136,093	-
19,671	-	111,711	38,618	150,329	-
12,790	-	-	72,210	72,210	-
35,660	-	64,340	-	64,340	-
420	-	39,790	40,000	79,790	210
12,200	-	-	62,800	62,800	-
12,558	-	-	100,000	100,000	12,558
69,260	-	332,280	-	332,280	(18,460)
<u>\$ 248,902</u>	<u>\$ 2,300,000</u>	<u>\$ 717,839</u>	<u>\$ 1,053,140</u>	<u>\$ 4,070,979</u>	<u>\$ 54,881</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, 2014

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2012	\$ -	\$ 47,159,551	\$ 47,159,551	0.0%	\$ 14,833,257	317.93%
12/31/2013	\$ -	\$ 42,956,103	\$ 42,956,103	0.0%	\$ 15,792,463	272.00%
12/31/2014	\$ -	\$ 60,275,977	\$ 60,275,977	0.0%	\$ 14,988,040	402.16%

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2012	\$ 4,594,590	17.50%
2013	\$ 3,784,056	24.13%
2014	\$ 3,977,416	26.09%

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



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### 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

June 15, 2015

TOWN OF HAVERSTRAW  
TOWN JUSTICE  
CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>CASH BALANCE - JANUARY 1, 2014</u>	\$ 30,080
Receipts:	
Bail Money	<u>49,188</u>
	\$ 79,268
Disbursements:	
Bail Money Returned	<u>40,313</u>
<u>CASH BALANCE - DECEMBER 31, 2014</u>	<u>\$ 38,955</u>
<u>CASH - BALANCE COMPRISED OF THE FOLLOWING:</u>	
Bail Money Held in Pending Cases	<u>\$ 38,955</u>
	<u>\$ 38,955</u>

TOWN OF HAVERSTRAW  
TOWN JUSTICE  
CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>CASH BALANCE - JANUARY 1, 2014</u>	\$ 23,051
Receipts:	
Bail Money	<u>55,216</u>
	\$ 78,267
Disbursements:	
Bail Money Returned	<u>56,297</u>
<u>CASH BALANCE - DECEMBER 31, 2014</u>	<u>\$ 21,970</u>
<u>CASH - BALANCE COMPRISED OF THE FOLLOWING:</u>	
Bail Money Held in Pending Cases	<u>\$ 21,970</u>
	<u>\$ 21,970</u>

