

# **TOWN OF ORANGETOWN, NEW YORK**

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2018



# **TOWN OF ORANGETOWN, NEW YORK**

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2018

Prepared by

**Jeffrey W. Bencik**  
*Director of Finance*



# Town of Orangetown, New York

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2018  
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<b>STATISTICAL SECTION (Unaudited)</b>
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This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the Town's overall financial health.

This section includes the following schedules

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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**INTRODUCTORY  
SECTION**

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**TOWN OF ORANGETOWN,  
NEW YORK  
PRINCIPAL OFFICIALS  
2018**

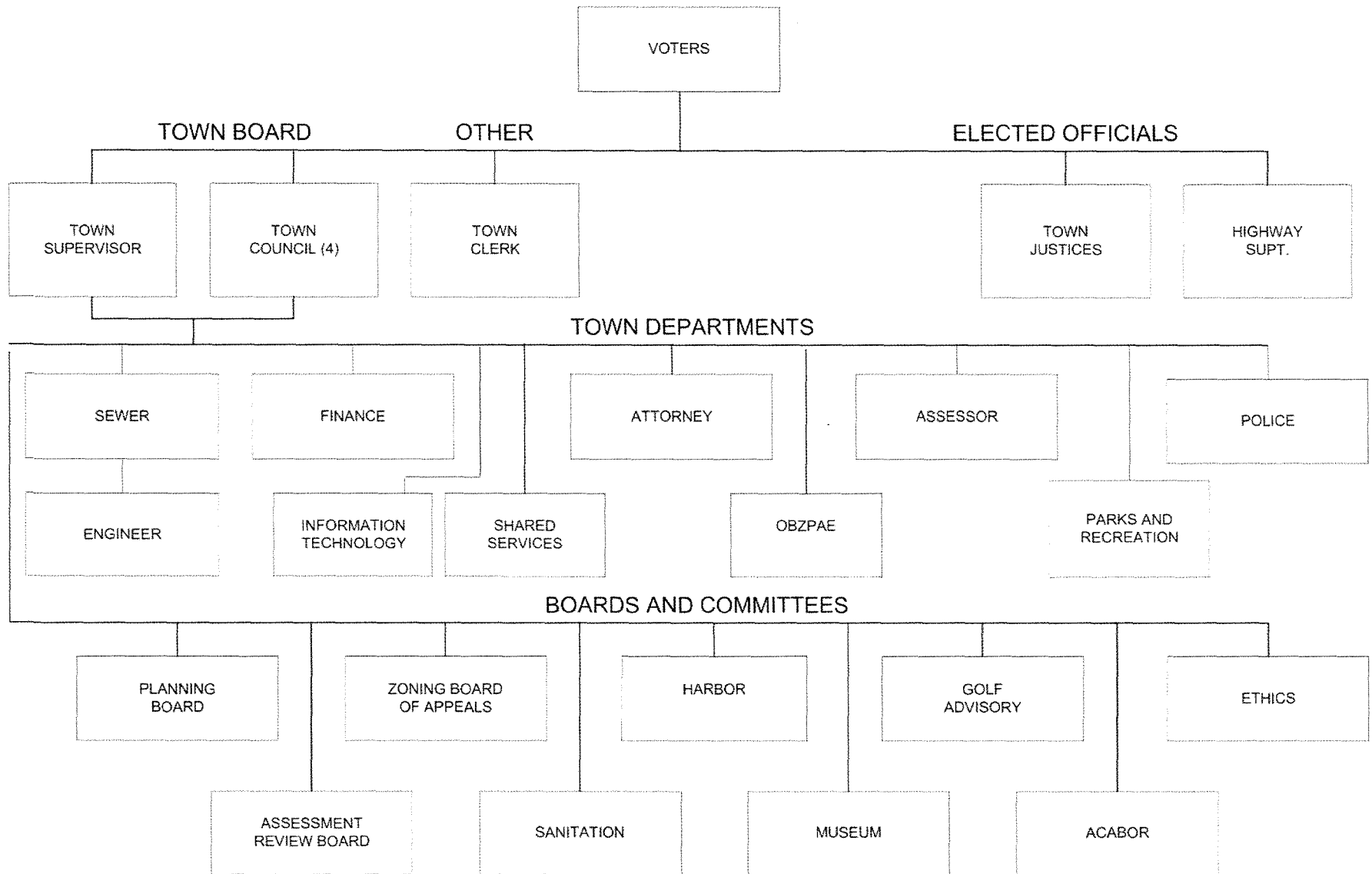
**SUPERVISOR:** Chris Day

**TOWN BOARD:** Gerald Bottari  
Thomas Diviny  
Paul Valentine  
Denis Troy

**TOWN CLERK:** Rosanna Sfraga

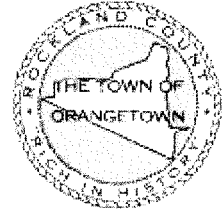
**DIRECTOR OF FINANCE:** Jeffrey W. Bencik

## STRUCTURE OF ORANGETOWN GOVERNMENT



TOWN OF ORANGETOWN  
FINANCE OFFICE

26 ORANGEBURG ROAD • ORANGEBURG, NY • 10962  
PHONE: 845-359-5100 • FAX: 845-359-2623



June 29, 2019

To the Honorable Town Supervisor, Town Board,  
And Citizens of the Town of Orangetown

The Comprehensive Annual Financial Report ("CAFR") for the Town of Orangetown, New York ("Town") for the fiscal year ended December 31, 2018 is herewith submitted. The New York State Comptroller's Office requires the Town to submit an annual report of the financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP"). The Town has elected to have these statements audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to this requirement and Town Board policy.

This report consists of management's responsibilities concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the year ended December 31, 2018 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by

management. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements, for the year ended December 31, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2018 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditor.

### **Profile of the Town**

The Town was originally settled by the Dutch in the 1680s and became one of the original towns in New York, established by the State Constitution in 1788. The Town has an area of 25 square miles and is located in the southeast corner of Rockland County, with the Hudson River on the eastern boundary, and Bergen County, New Jersey on the Town's southern boundary.

The Town's 2016 Census population was 50,479, up 4.1% from the 2007 Census population of 48,489.

The Town's finances are conducted in accordance with State laws including General Town, General Municipal Law, and Local Finance Law as well as the Town Code first adopted in 1964. The Town includes four incorporated villages located along the Hudson River: Nyack, South Nyack, Grandview, and Piermont. The villages provide their own land use and some highway services. South Nyack, Grandview and Piermont have their own police departments while Nyack is served by the Orangetown Police Department. Town tax rates within villages vary with the services provided by the Town.

The Town Board is comprised of a Town Supervisor elected for a two-year term and four council members also elected Town-wide, for four-year terms. Town-wide elections are held every two years. The Town also has an elected Town Clerk/ Receiver of Taxes, Highway Superintendent and two elected Town Justices.

The Town workforce consists of 256 full-time equivalent positions with the largest number of employees in the police, highway, sewer and parks departments. There are 83 sworn police officer positions. The Town maintains 147 miles of Town roads and 200 miles of sewer lines. The sewer system also consists of 48 pumping stations and a sewer plant with a capacity of 12.75 million gallons per day. The Town has two golf courses; one 27-hole golf course ("Blue Hill"), and a nine-hole course ("Broadacres").

The Town has one fire protection district ("Blauvelt") and six independent fire districts that are located at least partly within the Town. The Town also collects taxes for four school districts, five library districts, two ambulance districts, one paramedic district, and six water districts.

The Town has an independent Housing Authority that was established in 1989 for the construction and operation of the Cortwood Village Senior Complex. The Orangetown Housing Authority is a discretely presented component unit and is reflected in the Town's financial statements as such.

The annual budget process acts as the primary means of decision-making and financial control for the Town. The Town adheres to the budget schedule set by New York State Town Law, although general practice has been for the Town to start and finish its budget process earlier than is legally mandated.

The usual practice is for the Finance Director to send out standard forms to department heads that require them to provide line item detail for their budget requests for expenditures and estimated department revenue. Department requests are submitted by late August, following the format set by the New York State Comptroller's chart of accounts. Departments are encouraged to submit electronically using the Town's financial software. Written back-up materials are also provided in a standardized format to facilitate internal and Town Board reviews. In early September, the Town Board holds workshop meetings to discuss the departmental requests. The Supervisor and Finance Director submit the tentative budget on or before September 30th, the legally required date. The Town Board makes changes to the tentative budget that becomes the preliminary budget. A public hearing is legally required to take place by the Tuesday after Election Day; however it has been recent practice to hold the hearing prior to Election Day and if possible pass or reject the budget prior to Election Day. The budget must be approved by November 20. If no agreement is possible, the last version of the preliminary budget takes effect.

After the fiscal year begins, the Town Board may transfer monies within funds. The Board can also increase budget levels if there are unanticipated revenues such as grants, or by appropriating available fund balance. Beginning in April of each year, the Finance Director provides a monthly statement of revenues and expenditures and itemizes significant trends and variations from the approved budget.

### **Factors Affecting Financial Condition**

Like all communities, the Town is affected by the national, State, and regional economy, all of which were in significant decline by the fall of 2008. Since 2005, the unemployment rate in Orangetown has ranged from 3.2% in December 2006 to 7.5% in September 2009. The unemployment rate for Orangetown was 3.4%

in December 2018. After a protracted period of higher than normal unemployment rates, the local economic improvements have resulted in a significant improvement in employment to the current level of 3.4%, which is near record lows.

The acquisition of Wyeth pharmaceuticals, the Town's largest employer and 10% of its tax base, by Pfizer in 2009 has been a cause of major job losses and concern. By the end of 2018, total employment at the Orangetown facility had dropped to ~700 from 2,850 in 2009. The manufacturing portion of the facility is being phased out, leaving the site as a regional research facility. From discussions with Pfizer, it appears that the employment level will likely remain stable for the near term. Wyeth Pharmaceuticals has also filed a property tax certiorari suit, justified in part because of empty facilities. In response, the Nanuet School District and the Town have agreed to reduce Wyeth's property taxes by 45% to reflect the downsizing. Importantly, Wyeth now represents around 1% of the tax base, down from 10% and as such the negative impact from the downsizing has already been absorbed.

In 2015, Pfizer announced the sale of the property to IRG Corp., with a lease back option for the portion that Pfizer continues to use (23 acres). The sale of the property has led to a payment in lieu of taxes agreement ("PILOT") that should stabilize the income generated from the site. While the income generated from the property has stabilized, the conversion from a tax ratable as Pfizer to a PILOT payable with IRG Corp., has served to reduce the assessed value of Non-Homestead properties. The impact of this is a shift in the Homestead/Non-Homestead ratio.

The economy appears to have bottomed in 2013 and has rebounded in most areas as demonstrated by the continued improvement in employment, housing, and sales tax revenues. Unemployment remained at low levels in 2018 at 3.4%, which is near record lows of 3.2%. Historically low interest rates continued to support the housing recovery in 2018; however, recent interest rate hikes by the Federal Reserve Bank may lead to a slowdown in real estate sales from record levels, but still at relatively high levels. The Town Mortgage tax peaked in 2017 at \$1.98 million, but declined to \$1.56 million in 2018 due largely to fewer transactions caused by the higher interest rates. This is solidly in the 10 year range of \$1.2 million to \$2.0 million. Finally, consumers are also increasing their spending as demonstrated by sales tax revenues that increased from \$1.46 million in 2012 to \$1.8 million in 2018. This could increase as the State of New York recently started taxing internet sales, which should provide an incremental benefit to the Town as it is passed down.

The Town's purchase of 348 acres at Rockland Psychiatric Center ("RPC") from the State of New York in January of 2003 remains the most significant factor that could mitigate the Pfizer losses. Under a covenant to the purchase agreement, 216 acres of the 348 acres must be reserved for parks/recreation.



In the Fall of 2017, the Town announced the sale of 61 acres of the former RPC site to Chase bank for \$7.5 million. This is particularly encouraging as it allowed the Town to eliminate the debt incurred when purchasing the property and also provide additional monies for fund balance. Chase bank plans to build a 260K sq. ft. state of the art data center on the property. Chase has completed the demolition and remediation of the site and has currently started construction. Site completion is expected in late 2019 or early 2020. The Pilot was previously based solely on land value for the first two years and then increases significantly in 2019 to reflect the progress in construction, which will add to the Town's revenues.

The Town is working to build on its advantages as a suburban community within the New York metropolitan area. The Town is 18 miles north of the George Washington Bridge and Manhattan, is connected to Westchester County by the Tappan Zee Bridge, and is immediately north of Bergen County, New Jersey. As such, the Town is within commuting distance of most of the Fortune 500 companies in the New York metropolitan area.

Construction is nearing completion on a 160 unit active adult housing complex located on a site overlooking Lake Tappan, and near the Blue Hill Golf Course. Demand remains strong and the entire facility is sold out and there is a waiting list for additional apartments.

Development has been completed on the Orangeburg Commons, a largely retail development near the Palisades Interstate Parkway that includes a Marriott hotel along with a Stop 'N Shop grocery store. A second phase that will include a day care center has been approved; however construction has not yet begun.

As a precursor for Chase building a data center, Bloomberg built a state of the art data center. Bloomberg and the Town have entered into a PILOT agreement, which resulted in Bloomberg paying approximately \$70,000 in PILOT fees in 2018. This amount will increase over time to \$100,000 per year by 2025. In today's dollars, the assessed value of the facility would be almost \$6 million.

Importantly, the Town is ideally located for data center construction due to its ready access to secure electricity supply, but also redundant fiber and cable connectivity. This combined with the close proximity to New York City, provides a perfect geographic location for siting data centers. In addition to the aforementioned Bloomberg Data Center, the Town has additional data centers for Verizon and 1547 Corp and finally, the sale to Chase bank to build a 260K sq. ft. data center at the former Rockland Psychiatric Center. This project is 2.5 times as large as the Bloomberg data center. This project has a high level of support as there is little to no impact on Town services or the school system. Developers have called about other sites for data center construction; however, they are in earlier stages of development.

## **Long Term Financial Planning**

Pfizer's decisions to cut its local work force in half and seek a 45% property tax reduction were significant blows to the Town's economy and property tax base. However, the recent sale of the property to IRG Corp. likely indicates that the worst is over and as the site is redeveloped, new ratables will start to add to the tax base. In fact, the Town saw an overall increase in total assessed value in 2017 for the first time since the Pfizer's tax assessment reduction.

On the expenditure side, the New York State Comptroller's Office has indicated that the long-term costs of the State pension plan, in which the Town contributes its share, will likely level off or decline after several years of double digit increases. The Town finally saw evidence of this in the pension contributions made in 2015-2017 and expects this trend to continue. This should help to keep costs under control.

While the long-term impact of health care reform on costs is uncertain, the New York State Department of Civil Service has recently indicated that local governments should expect an increase in health insurance costs of close to 6.4% in 2019.

The Town entered into a contract with the Orangetown Police Benevolent Association in February 2018, with a term to the end of 2022. This agreement provided for increases in salaries of 2.5% each year, with no concessions from employees to contribute to health care costs. Importantly, there were other concessions that serve to reduce the overall cost to the Town.

The Town entered into an agreement with the Orangetown Civil Service Employment Association (CSEA) in November 2017, which runs for the term of 2017 to 2020. The agreement calls for annual increases of 2.25%, 2.0%, 2.0%, and 2.0% in 2017 to 2020, respectively. More importantly, new employees (hired after 2013) are required to contribute 17% to the healthcare costs.

## **Relevant Financial Policies**

As a result of the Town's economic challenges, the Town Supervisor and Board continue to look for ways to reduce costs. Towards that end, where possible, positions are being reduced through attrition. In 2018, the Town Board authorized a retirement incentive to increase the amount of retirements. The benefits for the Town would be lower salaries, new employees would contribute to healthcare costs and the pension plan and new employees would have lower amounts of sick and vacation time. Therefore, as this trend continues, the Town should see significant benefits on its expenditure levels. The Town has an Aa2 bond rating from Moody's which is partly attributed to the Town's "conservative expenditure control." The Town plans to continue this approach.

Importantly, the Town hired private contractors to manage both of its golf courses, Broadacres starting in 2014, and Blue Hill starting in 2016. The net result was an annual savings of almost \$1 million per year. Because of this action, the golf courses are now starting to repay over 10 years of advances from the General Fund.

## **Awards**

The Government Finance Officers Association (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This is the twelfth straight year the Town has achieved this award. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

## **Acknowledgements**

I would like to thank Robert Daniele, Nick DeSantis, Lawrence Feldman, and the members of the PKF O’Connor Davies, LLP audit team for their professionalism. I would also like to sincerely thank the Finance Office employees Janice Ganley, Natalie Schutter and Stephanie Tassello for their diligence and on-going efforts to improve Orangetown government.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey W. Bencik". The signature is fluid and cursive, with the first name "Jeffrey" being more prominent and the last name "Bencik" following in a similar style.

Jeffrey W. Bencik  
Finance Director

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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Orangetown  
New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morrell*

Executive Director/CEO

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**FINANCIAL  
SECTION**

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## **Independent Auditors' Report**

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Orangetown, New York ("Town") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Orangetown Housing Authority (a component unit) for the year ended December 31, 2018. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such component unit, is based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Town Outside Villages, Sewer and Highway funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

We draw attention to Notes 2D and 3E in the notes to financial statements which disclose the effects of the Town's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 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 responses to our inquiries, the basic financial statements and other knowledge we obtained during our 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.

### ***Supplementary and Other Information***

Our audit for the year ending December 31, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules and the introductory and statistical sections for the year ending December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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 for the year ending December 31, 2018 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ending December 31, 2018.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Town as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 20, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2017 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2017.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2018 and, accordingly, we do not express an opinion or provide any assurance on them.

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
June 28, 2019

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# **Town of Orangetown, New York**

## **Management's Discussion and Analysis (MD&A) December 31, 2018**

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### **Introduction**

On behalf of Town Supervisor and the staff of the Orangetown Finance Office, I am submitting this Management's Discussion and Analysis ("MD&A") as required by the Governmental Accounting Standards Board ("GASB"). The MD&A gives the Town of Orangetown, New York's ("Town") Finance Director an opportunity to summarize the Town's financial activity for the fiscal year ended December 31, 2018. This MD&A should be read in conjunction with the basic financial statements that immediately follow this section to enhance understanding of the Town's financial performance.

### **Financial Highlights for Fiscal Year 2018**

The key information that readers of this report need to draw from it is as follows:

- The Town has net position that totals a negative (\$64.0) million, excluding the Orangetown Housing Authority, a component unit of the Town. Of this amount, a negative (\$64.5) million represents governmental activities net position and positive \$0.5 million is business-type activities net position for the Town's two golf courses. The governmental activities net position declined by \$76.5 million versus 2017 (inclusive of a cumulative effect of change in accounting principle). Almost the entirety of the change was due to the implementation of the provisions of GASB Statement No. 75 *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pension ("OPEB")*, which required the Town to recognize the total OPEB liability (net present value of future OPEB obligations). The business-type activities net position improved by \$2.05 million as privatization of the golf course significantly improved the operations.
- In addition to the impact of the Town's OPEB obligations, the government-wide financial statements for the year ended December 31, 2018 are also significantly impacted by the provisions of GASB Statement No. 68. This pronouncement established accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"). Under these standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2018, the Town reported in its Statement of Net Position a liability of \$4.2 million for its proportionate share of the ERS and PFRS net pension liabilities. More detailed information about the Town's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3E in the notes to financial statements.
- The Town's major governmental funds ended 2018 with total fund balance of \$17.5 million, exclusive of the Capital Projects Fund. Of this amount \$1.5 million was classified as nonspendable representing prepaid expenditures or payments made in advance. An

additional \$2.3 million was restricted while assigned fund balance was \$7.5 million (primarily because of special revenue funds), and \$6.2 million was unassigned fund balance in the General Fund.

- The Town's Enterprise Funds or business-type activities, the Blue Hill Golf Course and the Broadacres Golf Course funds had total negative net position of \$0.5 million. Historically, both the Blue Hill and Broadacres Golf Course funds have been running large deficits in recent years. Importantly, the Town Board privatized both golf courses and the combined enterprises resulted in break-even results in 2016. This improvement continued in 2017, resulting in a combined operating profit of \$160K. Unfortunately, bad weather resulted in lower revenues resulting in only a break-even year again in 2018.
- The Town's total outstanding debt consisting of general obligation bonds, energy performance contract debt and loans payable as of December 31, 2018 was \$71.7 million consisting of bonds (\$64.3 million), energy performance contract (\$1.0 million) and loans payable to government agencies (\$6.4 million). This is a year over year increase in total indebtedness of \$0.1 million. The business type activities (Golf courses) reduced its loan by \$200,000 as it actively pays back its loan from the General Fund.

### **Using This Annual Report**

This annual report consists of a series of financial statements that are shown in detail in the sections that follow this MD&A. The statement of net position and the statement of activities provide information about the activities of the Town as a whole, and in time, information for a longer-term view of the Town's finances. Fund financial statements show how the various operating funds began and ended 2018 and the level of resources available for future years. A Fiduciary Fund is also shown; consisting of an Agency Fund. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Additional statements and schedules can be found immediately following the notes to the financial statements. These include statements for the non-major governmental funds and schedules of budgets to actual comparisons.

### **Reporting on the Town as a Whole**

#### *Government-Wide Financial Statements*

The government-wide financial statements are designed to provide readers with an overview of the Town's finances, in a manner similar to a private-sector business. The two statements that best summarize the Town's finances as a whole are the Statement of Net Position and the Statement of Activities. These two statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting. All of the Town's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. Increases or decreases in net position indicate whether the financial position of the Town is improving or deteriorating. In both statements, the activities of the Town are divided into three types:

- Governmental activities - Most of the Town's basic services are shown here including police, highway, sewer, parks, land use, and support agencies. Property taxes, state aid, and charges for services are the primary sources of revenue for these activities.



- Business-type activities - The Town's two golf courses, Blue Hill and Broadacres are intended to be completely self-sufficient. Golf permits, greens fees, cart rental and facility rental are the primary revenue sources.
- Component unit - The Orangetown Housing Authority is a separate legal entity from the Town, but the Town ultimately is financially accountable for the Authority.

## **Reporting the Town's Most Significant Funds**

### *Fund Financial Statements*

The fund financial statements provide detailed information about the Town's various funds. Some funds are required to be established by State law. The Town's two kinds of funds - governmental and proprietary - use different bases of accounting.

- Governmental funds - Most of the basic services provided by the Town are financed and accounted for through governmental funds. Governmental funds' financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.
- Proprietary funds - These funds are used to show activities that operate similar to private business enterprises. Because these funds charge fees for services provided, they are known as proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the Town's other programs and activities - such as the Town's self-insurance program.

## **Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are located following the basic financial statements section of this report.

## **Other Information**

Additional statements and schedules can be found immediately following the notes to financial statements. These include the required supplementary information schedules for the Town's OPEB obligations and net pension liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

## **The Town as Trustee**

### *Reporting the Town's Fiduciary Responsibilities*

All of the Town's fiduciary activities are reported in a separate Statement of Assets and Liabilities - Fiduciary Fund. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations.

### *The Town as a Whole*

The Town's combined net position at the end of 2018 was negative (\$64.0) million. Of this amount, negative (\$64.5) million was the net position of governmental activities and a positive \$0.5 million was the net position of the business-type activities - Blue Hill and Broadacres golf course funds.

Total assets and deferred outflows of resources were \$183.1 million at the end of 2018, with capital assets, net of depreciation accounting for \$135.2 million of this amount. This latter amount includes infrastructure of \$88.6 million. It is important to recognize that much of the Town's infrastructure was acquired from developers as the Town assumed responsibility for maintenance of roads, sidewalks and sewer lines that were built in new subdivisions. An additional \$21.7 million is land, which is not depreciated. The values of the capital assets are based on historical costs. The Town uses these capital assets to provide services to residents, and therefore these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, 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 the debt. Current assets total \$31.9 million and consist primarily of \$25.6 million in cash and equivalents. Deferred outflows of resources amount to \$16.0 million and account for deferred losses on refunding bonds and the Town's pension obligations.

Total liabilities and deferred inflows of resources are \$247.1 million with capital construction and other bonds outstanding at \$64.3 million, \$1.0 million outstanding for an energy performance contract and \$6.4 million outstanding for loan payables. Other long-term liabilities of the Town include compensated absences (\$3.6 million), loans payable from the two golf course funds to the General Fund (\$5.4 million), pension obligations (\$4.2 million), and (\$130.0 million) for other post employment benefit obligations payable that are funded over a number of years.



**Net Position**  
**December 31, 2018**  
(In millions of dollars)

	<b>Governmental Activities</b>		<b>Business Type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Current Assets	\$ 31.348	\$ 28.075	\$ 0.518	\$ 1.213	\$ 31.866	\$ 29.288
Capital Assets, Net	127.914	129.545	7.305	7.553	135.219	137.098
<b>Total Assets</b>	<b>159.262</b>	<b>157.620</b>	<b>7.823</b>	<b>8.766</b>	<b>167.085</b>	<b>166.386</b>
<b>Deferred Outflows of Resources</b>	<b>15.977</b>	<b>13.351</b>	<b>-</b>	<b>0.120</b>	<b>15.977</b>	<b>13.471</b>
Current Liabilities	5.267	5.325	0.040	0.983	5.307	6.308
Long Term Liabilities	208.366	151.596	7.238	9.409	215.604	161.005
<b>Total Liabilities</b>	<b>213.633</b>	<b>156.921</b>	<b>7.278</b>	<b>10.392</b>	<b>220.911</b>	<b>167.313</b>
<b>Deferred Inflows of Resources</b>	<b>26.145</b>	<b>2.044</b>	<b>-</b>	<b>-</b>	<b>26.145</b>	<b>2.044</b>
Net investment in Capital Assets	70.409	67.679	6.391	4.533	76.800	72.212
Restricted	2.623	6.586	-	-	2.623	6.586
Unrestricted	(137.572)	(62.258)	(5.846)	(6.038)	(143.418)	(68.296)
<b>Total Net Position</b>	<b>\$ (64.540)</b>	<b>\$ 12.007</b>	<b>\$ 0.545</b>	<b>\$ (1.505)</b>	<b>\$ (63.995)</b>	<b>\$ 10.502</b>

When liabilities are subtracted from assets and deferred outflows of resources, the resulting net position is negative (\$64.0) million, consisting of \$76.8 million net investment in capital assets, \$2.6 million in restricted funds, and a negative (\$143.4) million in unrestricted funds. The latter includes capital projects for which long term debt has not been issued, cumulative deficits of the Town's two golf courses and OPEB and Pension liabilities.

**Statement of Activities**

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes are reported as soon as the change occurs, regardless of the timing of the related cash flows. The Town activities are all shown on an accrual basis rather than the modified approach that is traditional in governmental financial statements.

Total revenues for the Town were \$73.3 million. Real property taxes (including sewer unit charges included on property tax bills) made up \$53.5 million of this amount or ~72%. Other tax items consisting of payments in lieu of taxes and interest and penalties on real property taxes consisted of \$1.7 million, non-property taxes derived \$2.6 million and consisted of franchise fees and non-property tax distribution from the County. Charges for services were \$11.1 million or 15%, primarily from the Blue Hill and Broadacres golf courses; and recreation, building inspection and sewer charges for industrial users and non-Town users. Operating grants and contributions were \$1.9 million or 2% and capital grants and contributions amounted to \$0.7 million. Unrestricted State aid totaled \$1.8 million or 2.4%, although nearly all of that was from sales and mortgage tax revenue that was generated in the Town and County. The Town also generated a \$0.9 million gain on the sale of land.

Program expenses totaled \$75.2 million, with governmental activities accounting for \$72.3 million of that amount. General government support expenses inclusive of the cost of funding the golf courses

was \$11.2 million. Public safety expenses, mainly police expenses, totaled \$29.3 million or 40.5% of Town spending. Home and community services were \$12.1 million or 17%. Sewer service costs account for the majority of the latter amount. Transportation spending, primarily by the Highway Department was \$13.4 million, or 19% of the total.

**Change in Net Position**  
**Fiscal Year Ended December 31, 2018**  
**(In millions of dollars)**

	Governmental Activities		Business Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 8.303	\$ 6.554	\$ 2.830	\$ 3.182	\$ 11.133	\$ 9.736
Operating Grants and Contributions	1.897	1.630	-	-	1.897	1.630
Capital Grants and Contributions	0.676	0.901	-	-	0.676	0.901
General Revenues						
Real Property Taxes	53.513	51.936	-	-	53.513	51.936
Other Tax Items	1.755	2.117	-	-	1.755	2.117
Non-Property Taxes	2.590	2.603	-	-	2.590	2.603
Unrestricted Use of Money and Property	0.023	0.002	0.010	0.001	0.033	0.003
Sale of Property and Compensation for Loss	0.016	0.004	-	-	0.016	0.004
Unrestricted State Aid	1.833	2.249	-	-	1.833	2.249
Miscellaneous	0.020	0.132	-	-	0.020	0.132
Sale of Real Property	0.880	6.819	-	-	0.880	6.819
<b>Total Revenues</b>	<b>71.507</b>	<b>74.947</b>	<b>2.840</b>	<b>3.183</b>	<b>74.347</b>	<b>78.130</b>
<b>Program Expenses</b>						
General Government Support	11.176	12.194	-	-	11.176	12.194
Public Safety	29.288	30.637	-	-	29.288	30.637
Health	0.440	0.440	-	-	0.440	0.440
Transportation	13.365	14.715	-	-	13.365	14.715
Economic Opportunity and Development	0.190	0.185	-	-	0.190	0.185
Culture and Recreation	4.313	4.971	-	-	4.313	4.971
Home and Community Services	12.110	14.027	-	-	12.110	14.027
Interest	1.403	1.442	-	-	1.403	1.442
Golf Courses	-	-	2.906	3.119	2.906	3.119
<b>Total Expenses</b>	<b>72.284</b>	<b>78.611</b>	<b>2.906</b>	<b>3.119</b>	<b>75.190</b>	<b>81.730</b>
Increase (Decrease) in Net Position before Transfers	<b>(0.778)</b>	<b>(3.664)</b>	<b>(0.066)</b>	<b>0.064</b>	<b>(0.844)</b>	<b>(3.600)</b>
Transfers	(2.489)	(0.413)	2.489	0.413	-	-
Change in Net Position	<b>(3.267)</b>	<b>(4.077)</b>	<b>2.423</b>	<b>0.477</b>	<b>(0.844)</b>	<b>(3.600)</b>
<b>NET POSITION</b>						
Beginning, as reported	12.007	16.084	(1.505)	(1.982)	10.502	14.102
Cumulative Effect of Change in Accounting Principle	(73.279)	-	(0.373)	-	(73.652)	-
Beginning, as restated	(61.272)	16.084	(1.878)	(1.982)	(63.150)	14.102
Ending	<u>\$ (64.54)</u>	<u>\$ 12.007</u>	<u>\$ 0.545</u>	<u>\$ (1.505)</u>	<u>\$ (63.994)</u>	<u>\$ 10.502</u>

The resulting change in total net position in 2018 was a \$.900 million decrease. "Governmental Activities" was responsible for \$3.3 million of the decrease in net position, while the two golf courses partially offset this loss with a \$2.4 million improvement in net position. This improvement is almost entirely due to the privatization of the golf courses and the reduction in liability associated with future OPEB costs.

In the past, net position has declined for two reasons, the first is the failure to fund, or reduce through successful contract negotiations, the spiraling cost of other post-employment benefits, which in Orangetown consist of lifetime health insurance with no retiree contribution. The recession has prevented the Town from considering funding other post-employment benefits, even if there was a State approved mechanism for doing so, which there is not. Labor negotiations, particularly with the Police who have binding arbitration, seem unlikely to cause increases in health insurance contributions for retirees or current employees. Importantly, the Town has successfully negotiated a contribution requirement of 17% for CSEA employees hired on or after January 1, 2013. As existing employees retire and are replaced by new employees, this will help to offset the increasing costs of healthcare.

Historically, the second reason for the decline in net position was the losses at the Town's two golf courses. This problem is obviously smaller and more manageable. In 2014, the Town privatized management at the Town owned Broadacres Golf Course with good success. Additionally, starting in January 2016, the Town has also privatized management at the Blue Hill Golf Course and expects a significant reduction in losses. In fact, the golf courses were operationally breakeven in 2016 which allowed a \$200k loan repayment to the General Fund. The improvement continued in 2017, as the golf courses generated an operating profit of approximately \$160,000 and included a \$250,000 repayment of the loan to the General Fund. Finally, in 2018 the golf courses broke even on an operational level, while reducing the loan by \$200K.

### **Financial Analysis of the Town's Funds**

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

#### *Governmental Fund Highlights*

The New York State Comptroller's Office requires that local governments use fund accounting, which is consistent with the GASB, and that only the minimum number of funds required by law and operating requirements should be maintained.

The major operating funds of the Town are the General Fund, Town Outside Villages Fund, Sewer Fund, the combined Highway funds, Debt Service Fund and the Capital Projects Fund. The Town Outside Villages, combined Highway and Sewer funds are kept separate from the General Fund because of State Highway Law and because services are not rendered on a Town wide basis. Three villages have separate police departments from the Town and not all residents are connected to the Town's sewer system. Residents not receiving Town services pay lower rates of Town taxes.

The tables on the following pages show the Town's governmental funds including revenues, expenditures and changes in fund balances.

- Total revenues for selected governmental funds were \$71.2 million. Expenditures were \$72.1 million. Higher than anticipated revenues were more than offset by higher expenditures resulting in a \$0.9 million drain on fund balance. The higher than anticipated expenditures

were due almost entirely to the settling of both the Police Benevolent Association (“PBA”) and Civil Service Employees Association (“CSEA”) contracts, which resulted in higher salary expenditures due to the raises in the new contracts.

- Of the total \$17.5 million fund balance of the selected governmental funds, \$1.5 million is nonspendable and \$2.3 million is restricted. The assigned and unassigned portions of fund balance are \$7.4 million and \$6.2 million, respectively. Of the \$7.4 million in assigned fund balance, \$1.9 million was budgeted to balance the 2019 operating budget.

**Selected Governmental Operating Funds in 2018**  
**Revenues, Expenditures and changes in Fund Balance**  
**With Comparative Totals for 2017**  
**(in millions of dollars)**

	2018						2017
	General	Town Outside Villages	Sewer	Highway	Debt Service	Total	Totals
Revenues							
Property Taxes and Unit Charges	\$ 1.966	\$ 26.369	\$ 6.636	\$ 10.433	\$ 6.124	\$ 51.527	\$ 50.053
Other Revenues	11.746	4.941	1.922	0.943	0.105	19.658	18.106
Total Revenues	13.712	31.310	8.558	11.375	6.229	71.185	68.159
Expenditures	14.455	29.891	9.679	10.765	7.278	72.069	69.546
<b>Revenues Net of Expenditures</b>	<b>(0.743)</b>	<b>1.419</b>	<b>(1.121)</b>	<b>0.610</b>	<b>(1.049)</b>	<b>(0.883)</b>	<b>(1.387)</b>
Sale of Real Property	0.016	-	-	-	-	0.016	7.500
Transfers Out	(3.663)	-	-	(0.122)	(2.422)	(6.206)	(0.613)
Net Changes in Fund Balances	(4.390)	1.419	(1.121)	0.489	(3.471)	(7.074)	5.501
Beginning Fund Balances	11.982	3.131	1.899	1.860	2.129	21.000	15.498
<b>Ending Fund Balances</b>	<b>\$ 7.592</b>	<b>\$ 4.550</b>	<b>\$ 0.778</b>	<b>\$ 2.348</b>	<b>\$ (1.343)</b>	<b>\$ 13.926</b>	<b>\$ 20.999</b>
<b>Fund Balance By Type</b>							
Nonspendable	0.267	0.860	0.203	0.166	-	1.496	1.486
Restricted	0.000	0.105	-	-	2.244	2.349	5.873
Assigned	1.107	3.585	0.575	2.183	-	7.449	6.383
Unassigned	6.218	-	-	-	-	6.218	7.257
<b>Total Fund Balance</b>	<b>\$ 7.592</b>	<b>\$ 4.550</b>	<b>\$ 0.778</b>	<b>\$ 2.348</b>	<b>\$ 2.244</b>	<b>\$ 17.512</b>	<b>\$ 20.999</b>

### *General Fund*

The Town's General Fund consists of revenues and expenditures for Town-wide services including parks and recreation, and general government support. Examples of the latter are the Town Board, the Justice Court, Elections, Assessment, Building Maintenance and Finance. Revenues consist of property taxes, mortgage tax revenue (classified as State aid), fees for park activities, fines (largely speeding tickets) and inter-fund revenues for other funds' share of general government support.

- Total General Fund revenues were \$13.7 million in 2018 and expenditures totaled \$14.5 million.
- The Town's General Fund ended 2018 with a net decrease in fund balance of \$4.4 million, and an ending fund balance of \$7.6 million. Revenues were approximately \$260,000 more than the final budget with film revenue increases accounting for over \$300K. State Aid, also improved by \$200K higher than anticipated due to higher mortgage tax revenues. These increases offset a \$500K decline in miscellaneous revenues. Expenditures were \$280K more than the final budget. General Government Support was approximately \$650K higher than

anticipated due to the higher salaries from the new settled contracts. The largest benefit was from lower than anticipated employee benefits as the Town realized savings from a higher than usual amount of retirements, which were not immediately replaced. The Town continued its on-going policy of downsizing personnel costs through attrition. These lower benefit costs were approximately \$450K better than budgeted, nearly offsetting the higher costs from salaries.

- Overall fund balance decreased from a beginning level of \$12.0 million to an ending level of \$7.6 million. The ending unassigned fund balance is \$6.2 million. In 2018, the Town defeased \$3.6 million in debt owed on the Rockland Psychiatric Center (“RPC”) property. This accounted for the vast majority of the decrease in fund balance. Following the defeasement, the Town has paid off the entire debt on the RPC purchase and any other future sales will directly increase fund balance.

### *Town Outside Villages Fund*

The Town Outside Villages (“TOV”) Fund is actually two sub-funds that provide services outside village boundaries, and, therefore, village residents are not taxed to fund these services. Police services are provided by the Town outside of village boundaries, with the exception of Nyack which receives Town police protection. All villages in the Town maintain their own building permit and inspection services. As a result, no village residents pay property taxes for these services, though permit revenues fund a significant part of building service costs. Property taxes typically make up about 90% of the revenues for the TOV Funds, while building permits and departmental revenues make up about 5% of the total.

- Building permit and planning board revenues increased from \$1.2 million in 2014 to \$1.6 million in 2015, \$1.9 million in 2016, and \$2.1 million in 2017 due to increased activity. In 2018, building fees reached a record level at over \$3.4 million. This does include the Chase data center project, which accounted for \$1.2 million in fees. Police revenues also increased to record levels in 2018 at approximately \$440K, due to higher filming fees. Historically, this was mostly stable at \$259K in 2014 to \$225K in 2015, \$212K in 2016, and \$279K in 2017. The net impact was an overall increase in TOV departmental income from \$1.4 million in 2014 to \$1.8 million in 2015, \$2.1 million in 2016, and \$2.4 million in 2017, to a record \$3.9 million in 2018.
- Employee benefit costs for the TOV funds were \$10.1 million in 2018, versus \$9.6 million in 2017, representing 33% of fund spending. This is the largest of any of the major governmental funds and is due primarily to police fringe benefit costs that are equal to roughly 60% of payroll costs.

### *Sewer Fund*

The Town’s sanitary sewer system is composed of over two hundred miles of sewer pipe, forty-eight pumping stations, and a treatment plant that has a capacity of 12.75 million gallons of sewage per day. In addition to serving most Town residents, the system also serves neighboring areas outside the Town, in Upper Nyack, parts of Chestnut Ridge (both in Rockland County), and the Borough of Rockleigh in Bergen County, New Jersey.

Beginning in 2008, the Town property owners that are connected to the sewer system paid a new sewer unit charge for operations and maintenance costs. Each single family home or single apartment is considered a unit. Businesses are multiple units based on what type of business they are. For example, banks have a small amount of units while restaurants would have much larger units

based on seating capacity. In 2018 the unit charge was \$223.81 per unit. The unit charge raised \$6.2 million and accounted for approximately 72% of total revenues.

Neighboring jurisdictions are charged an amount based on sewerage flow. In addition, major industrial and institutional users pay special monitoring and flow charges in addition to property taxes. Revenues other than real property tax revenues and unit charges amounted to \$1.9 million in 2018 or 22% of total revenues.

- The collection and treatment of waste water is a 24 hour a day function. Both public and employee safety require adequate staffing, while increasing State credential requirements have limited the number of qualified staff for key functions.
- Fund balance decreased from a beginning level of \$1.9 million to an ending level of \$0.8 million, of which \$0.6 million is assigned. The majority of the decrease was due to higher costs for sewer treatment and disposal.

### *Combined Highway Fund*

The Combined Highway Fund provides Town-Wide and Part-Town Highway services as set by New York State Highway law. Town-wide services consist of snow removal, brush and weed control, highway equipment and machinery costs. Part-Town Highway services include road maintenance, with road re-surfacing as a major component. Part-Town Highway services are similar to TOV above; villages perform their own road maintenance and are not charged property taxes for that part of the budget.

Property taxes accounted for 90% of Highway Fund revenues in 2018. Other revenues are mainly grants from the State for road maintenance and highway equipment and reimbursements from the State and County for plowing State and County roads during snowstorms.

- While the Highway Department budgets are fairly consistent from year to year, actual spending varies based on the price of fuel and the amount of snow. Snow removal expenditures in 2018 were \$0.9 million, a \$0.3 million decrease from 2017. Brush and Weed expenditures were up \$200K in 2018 for a total expenditures of \$1.6 million.
- The Town's Highway Department is constantly seeking to make its activities more environmentally friendly. The Department creates its own salt brine which is less damaging than the use of rock salt.
- The combined fund balance in the Highway Fund increased from \$1.86 million in 2017 to \$2.35 million in 2018. The better than anticipated results were due to much lower expenditures than budgeted for.

### *Debt Service Fund*

The primary source of revenue for the Debt Service Fund is the property tax which at \$6.1 million was equal to 98% of 2018 revenues. Other revenues in 2018 were only \$105K. Importantly, given the increase in interest rates, we would expect the other revenue to increase as the Town is now receiving close to 2% interest on its reserves.

- Historically, debt service costs have increased significantly as a result of a \$50 million sewer project that reconstructed the Town's sewer system, as well as the development of playing fields on land acquired from the State. However, this trend is moderating as over the last three

years the total debt levels have remained relatively stable. Debt service expenditures have ranged from a low of \$2.1 million in 2008 to a high of \$5.8 million in 2017. This increased to \$7.3 million (inclusive of the defeased debt owed on the RPC property) in 2018.

- Fund balance in the debt service fund increased slightly from \$2.1 million to \$2.2 million. The reason for the outperformance was due to higher revenues associated with the interest the Town earned on its reserves.

## **Capital Assets and Debt Administration**

### *Capital Assets*

The Town's capital assets had values, net of accumulated depreciation, of \$135.2 million at the end of 2018. This was a decrease of \$1.9 million over 2017.

The following table shows the components of the capital assets for governmental and business-type activities.

### **Capital Assets December 31, 2018 (In millions of dollars, net of accumulated depreciation)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Land	\$ 16.265	\$ 16.265	\$ 5.454	\$ 5.454	\$ 21.719	\$ 21.719
Land Improvements	6.398	6.051			6.398	6.051
Buildings and Improvements	6.484	6.530	0.285	0.307	6.769	6.837
Golf Course Facility	-	-	1.508	1.713	1.508	1.713
Machinery and Equipment	7.682	8.060	0.059	0.080	7.741	8.140
Infrastructure	88.652	84.486	-	-	88.652	84.486
Construction-In-Progress	2.433	8.154	-	-	2.433	8.154
<b>Total Capital Assets</b>	<b>\$ 127.914</b>	<b>\$ 129.546</b>	<b>\$ 7.305</b>	<b>\$ 7.553</b>	<b>\$ 135.219</b>	<b>\$ 137.099</b>

Additional information on the Town's capital assets can be found in Note 3B in the notes to the financial statements.

### *Long Term and Short Term Debt*

The Town's long-term debt (general obligation bonds) at the end of 2018 was \$64.3 million versus \$63.8 million in 2017, of which \$63.4 million was for governmental activities, and \$0.9 million was for the Town's enterprise funds consisting of the Blue Hill and Broadacres Golf Course funds, both business type activities. The Town did not have any bond anticipation notes (BANs) outstanding at the end of 2018.

Total outstanding debt, as noted in the chart following this discussion, decreased from \$72.1 million in 2017 to \$71.7 million in 2018 due to the principal payments mostly offsetting the new debt offered. In September 2018 Moody's Investors' Service reaffirmed the Town's underlying Aa2 rating for outstanding debts.



**Outstanding Debt**  
**General Obligations Bonds, Energy Performance Contract and Loans Payable**  
(in millions of dollars)

	<b>Governmental</b>		<b>Business Type</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
General Obligation Bonds	\$ 63.388	\$ 60.728	\$ 0.914	\$ 3.077	\$ 64.303	\$ 63.805
Unamortized Premium on Bonds	0.145	0.217	-	0.640		
Energy Performance Contract	1.034	1.195	-	-	1.034	1.195
Loans Payable	0.954	1.484	5.402	5.602	6.356	7.086
Total Outstanding Debt	<u>\$ 65.521</u>	<u>\$ 63.624</u>	<u>\$ 6.316</u>	<u>\$ 9.319</u>	<u>\$ 71.693</u>	<u>\$ 72.086</u>

Additional information on the Town's long-term debt can be found in Note 3E, in the notes to the financial statements.

### **Economic Factors**

#### *Resources and Challenges*

Orangetown is a suburban community located 20 miles north of Manhattan and the George Washington Bridge and is connected to Westchester County by the Tappan Zee Bridge. The Town is immediately north of Bergen County, New Jersey. As a result, the Town is within easy commuting distance of most of the Fortune 500 headquarters located in the New York metropolitan area.

Orangetown is starting to see the impact from an improvement in the general economy. This is reflected in higher building permits, sales tax, and mortgage tax figures. Additionally, after years of declining assessed value (peaked in 2007 at \$11.6B) and bottomed in 2016 at \$9.1B, the Town saw an increase in 2017 to \$9.7B and another increase in 2018 to \$10.1B. The Town finances weathered 2017 because of conservative budget practices, reduced capital outlays, and lowering overall headcount through attrition from retirements. Additionally, the decision to privatize both golf courses has turned a perpetual loss into a positive, a net swing of nearly \$1 million per year.

#### *Pfizer Down-Sizing*

While the economy slowly recovers, a continuing threat to the Town's financial wellbeing is the decision by Pfizer to down-size operations and challenge its property taxes. When Pfizer acquired Wyeth pharmaceuticals ("Wyeth") in 2011, Wyeth had been the Town and Rockland County's largest private employer and largest taxpayer. Wyeth's property was nearly 10% of the Town taxable assessed value and now represents around 1% of assessed valuation (post the land sale to IRG).

Initially, Pfizer indicated that layoffs would be limited to 400 of the Pearl River (Orangetown) facility's 3,000 employees who worked in pharmaceutical production and that research operations be unaffected. Since then Pfizer has decided to move some research operations to Ireland and eliminate an additional 1,200 jobs. At the current time, Pfizer has around 700 employees at the Pearl River facility. While the loss of these jobs was detrimental to the community, the Town has weathered the loss of assessed value and the taxes associated with that and replaced it with new rateables. Going forward, the risk from Pfizer leaving has been greatly mitigated as it now represents only around a 1% taxpayer.

### *Pfizer Sale to IRG*

In 2015, Pfizer announced the sale of over 200 acres of its main campus to IRG. Pfizer will maintain 23 acres for its operations and also 300 acres of undeveloped land. IRG is a large real estate development company and has plans to transform the site with a multi-use development plan. Over time, this should add to the non-Homestead tax ratables. Importantly, IRG plans to repurpose existing buildings rather than tear them down. IRG is currently on a PILOT that is at the lowest level and will be increasing in the future.

### *Future Economic Development*

The long-term future of Rockland County in general and Orangetown in particular depends on its ability to continue to attract commuters and new headquarters facilities. Education, transportation, housing and the re-development of lands purchased from the State in 2002 are key ingredients to the future economy of Orangetown. The Town also has benefited from the State's Empire Zone economic development incentives.

The Pearl River, South Orangetown, Nanuet, and Nyack School Districts have test scores at or above the County average. The Town is also home to the County's three four-year colleges: Dominican College, Nyack College, and Saint Thomas Aquinas College. The Town also hosts satellite campuses for graduate programs for Iona College, Long Island University, and New York University.

Transportation also is critical. The State of New York has recently completed a new bridge to replace the Tappan Zee Bridge, which has Orangetown at its western end. This continues to benefit the Town by easing travel to and through the region.

Bloomberg has completed a state of the art data center. Bloomberg and the Town have entered into a payment in-lieu of taxes ("PILOT") agreement which required Bloomberg to pay approximately \$60,000 in PILOT fees beginning in 2014. This amount will increase over time to over \$100K per year in 2025. In today's dollars, the assessed value of the facility would be over \$6 million.

Finally, mortgage fees and local real estate sales and prices have started to increase in the last couple of years. Therefore, we expect that instead of a major decline in non-homestead assessments that were seen in 2011-2012, it is likely that assessments will start to improve, which should help alleviate some pressure on the tax base.

### *Surplus Lands at the Rockland Psychiatric Center ("RPC")*

In January 2003, the Town purchased 350 acres of surplus RPC land from New York State, including the existing Broadacres Golf Course. The Town completed a \$6.5 million recreation project on previously vacant lands at the site.

In February, 2017 JP Morgan Chase announced that it has agreed to purchase 61 acres at RPC for a price of \$7.5 million. In addition, JPMorgan Chase will be responsible for the environmental remediation of the abandoned buildings. This was a significant benefit to the Town as it allowed the Town to defease over \$3.6 million in debt from the original purchase and add the remainder to fund balance. JP Morgan Chase has completed the demolition of the site and is well into the construction phase. JP Morgan Chase is in the third year of a PILOT agreement that will add significant revenues to the Town's finances as well. Importantly, discussions are ongoing to sell additional parcels of land at the former psychiatric center.

## **Next Year's Budgets and Tax Rates**

The 2019 budget was the eighth year in which the Town needed to comply with the property tax cap that was approved by the New York State Legislature in 2011. The Town Board chose not to override the tax cap for 2019. By minimizing capital outlays for new vehicles, not replacing retiring personnel, cutting special district funding and general cost containment, the Town was able to remain under the 2% tax levy cap. The tax rate was kept under 2% in large part due to the decision to appropriate \$1.9 million in fund balance as a means for reducing property taxes for Town services.

For 2020, the Town Board has indicated that it will again attempt to stay within the tax cap. This will be a particularly difficult challenge if health insurance and pension costs continue to rise dramatically and if the economic growth does not quicken.

## **Contacting the Town's Financial Management**

This report is intended to provide a broad overview of the Town's finances to its citizens and other stakeholders. If you desire additional information or have suggestions for improving this report, please contact:

Jeffrey W. Bencik  
Orangetown Finance Director  
Town Hall  
26 Orangeburg Road  
Orangeburg, New York 10962  
Or e-mail [jbencik@orangetown.com](mailto:jbencik@orangetown.com)

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**BASIC FINANCIAL  
STATEMENTS**

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**Town of Orangetown, New York**

Statement of Net Position  
December 31, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Orangetown Housing Authority
<b>ASSETS</b>				
Cash and equivalents	\$ 26,151,053	\$ 446,972	\$ 26,598,025	\$ 54,695
Restricted cash	91,740	-	91,740	125,090
Restricted investments	-	-	-	3,424,474
Receivables				
Accounts	817,096	70,352	887,448	72,838
State and Federal aid	1,128,016	-	1,128,016	-
Due from other governments	1,415,853	-	1,415,853	-
Loans, net	-	-	-	-
Prepaid expenses	1,744,067	155	1,744,222	65,720
Capital assets				
Not being depreciated	18,697,447	5,453,825	24,151,272	1,969,055
Being depreciated, net	109,216,298	1,851,431	111,067,729	2,310,983
Total Assets	159,261,570	7,822,735	167,084,305	8,022,855
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	15,976,722	-	15,976,722	-
<b>LIABILITIES</b>				
Accounts payable	2,586,966	79,072	2,666,038	53,506
Accrued liabilities	158,316	-	158,316	-
Accrued interest payable	609,458	7,870	617,328	50,322
Due to other governments	762,208	61,452	823,660	-
Unearned revenues	-	40,764	40,764	4,940
Loan payable	1,000,000	-	1,000,000	-
Deposits	-	-	-	125,090
Internal balances	149,606	(149,606)	-	-
Non-current liabilities				
Due within one year	5,857,873	296,573	6,154,446	350,000
Due in more than one year	202,508,108	6,941,932	209,450,040	5,936,616
Total Liabilities	213,632,535	7,278,057	220,910,592	6,520,474
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	26,145,405	-	26,145,405	-
<b>NET POSITION</b>				
Net investment in capital assets	70,408,798	6,390,926	76,799,724	1,447,686
Restricted for				
Law enforcement	105,404	-	105,404	-
Debt service	2,243,992	-	2,243,992	-
Special Revenue Funds				
Special Purpose	274,223	-	274,223	-
Unrestricted	(137,572,065)	(5,846,248)	(143,418,313)	54,695
Total Net Position	\$ (64,539,648)	\$ 544,678	\$ (63,994,970)	\$ 1,502,381

The notes to the financial statements are an integral part of this statement.

Town of Orangetown, New York

Statement of Activities  
Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 11,175,604	\$ 1,040,957	\$ 250,000	\$ -
Public safety	29,287,903	4,333,544	672,619	-
Health	439,833	-	-	-
Transportation	13,364,663	271,888	756,992	70,251
Economic opportunity and development	189,893	-	-	-
Culture and recreation	4,313,189	574,179	11,711	-
Home and community services	12,110,103	2,082,247	205,939	500,000
Interest	1,402,620	-	-	105,481
Total Governmental Activities	<u>72,283,808</u>	<u>8,302,815</u>	<u>1,897,261</u>	<u>675,732</u>
Business-type activities				
Blue Hill Golf Course	2,121,106	2,333,200	-	-
Broad Acres Golf Course	784,590	496,952	-	-
Total Business-type Activities	<u>2,905,696</u>	<u>2,830,152</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 75,189,504</u>	<u>\$ 11,132,967</u>	<u>\$ 1,897,261</u>	<u>\$ 675,732</u>
Component unit				
Orangetown Housing Authority	<u>\$ 859,716</u>	<u>\$ 1,069,816</u>	<u>\$ 2,050</u>	<u>\$ -</u>

General revenues  
  Real property taxes  
  Other tax items  
  Payments in lieu of taxes  
  Interest and penalties on real property taxes  
  Non-property taxes  
  Franchise fees  
  Non-property tax distribution from County  
  Unrestricted use of money and property  
  Sale of property and compensation for loss  
  Unrestricted State aid  
  Miscellaneous  
  Contributions of land and improvements  
Transfers

Total General Revenues

Change in Net Position

**NET POSITION**

Beginning, as reported

Cumulative Effect of Change in Accounting Principle

Beginning, as restated

Ending

The notes to the financial statements are an integral part of this statement.



Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing Authority
\$ (9,884,647)	\$ -	\$ (9,884,647)	\$ -
(24,281,740)	-	(24,281,740)	-
(439,833)	-	(439,833)	-
(12,265,532)	-	(12,265,532)	-
(189,893)	-	(189,893)	-
(3,727,299)	-	(3,727,299)	-
(9,321,917)	-	(9,321,917)	-
(1,297,139)	-	(1,297,139)	-
(61,408,000)	-	(61,408,000)	-
-	212,094	212,094	-
-	(287,638)	(287,638)	-
-	(75,544)	(75,544)	-
(61,408,000)	(75,544)	(61,483,544)	-
-	-	-	212,150
53,512,850	-	53,512,850	-
1,601,868	-	1,601,868	-
153,232	-	153,232	-
786,493	-	786,493	-
1,803,623	-	1,803,623	-
23,254	9,941	33,195	52,050
15,835	-	15,835	-
1,832,478	-	1,832,478	-
20,021	-	20,021	-
880,172	-	880,172	-
(2,488,670)	2,488,670	-	-
58,141,156	2,498,611	60,639,767	52,050
(3,266,844)	2,423,067	(843,777)	264,200
12,006,548	(1,504,891)	10,501,657	1,238,181
(73,279,352)	(373,498)	(73,652,850)	-
(61,272,804)	(1,878,389)	(63,151,193)	1,238,181
\$ (64,539,648)	\$ 544,678	\$ (63,994,970)	\$ 1,502,381

**Town of Orangetown, New York**

Balance Sheet  
Governmental Funds  
December 31, 2018

	General	Town Outside Villages	Sewer
<b>ASSETS</b>			
Cash and equivalents	\$ 6,767,870	\$ 4,485,066	\$ 925,090
Restricted cash	-	-	-
Receivables			
Accounts	421,211	60,341	280,321
State and Federal aid	-	11,363	101,898
Due from other governments	1,335,697	52,065	18,063
Due from other funds	-	-	-
Loans, net of allowance of \$5,402,007	-	-	-
	1,756,908	123,769	400,282
Prepaid expenditures	267,044	860,088	203,247
Total Assets	<u>\$ 8,791,822</u>	<u>\$ 5,468,923</u>	<u>\$ 1,528,619</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 425,050	\$ 803,243	\$ 716,029
Accrued liabilities	11,718	115,495	27,691
Due to other governments	751,211	-	-
Due to other funds	12,129	-	6,768
Loan payable	-	-	-
Total Liabilities	<u>1,200,108</u>	<u>918,738</u>	<u>750,488</u>
Fund balances			
Nonspendable	267,044	860,088	203,247
Restricted	236	105,168	-
Committed	-	-	-
Assigned	1,106,588	3,584,929	574,884
Unassigned	6,217,846	-	-
Total Fund Balances	<u>7,591,714</u>	<u>4,550,185</u>	<u>778,131</u>
Total Liabilities and Fund Balances	<u>\$ 8,791,822</u>	<u>\$ 5,468,923</u>	<u>\$ 1,528,619</u>

The notes to the financial statements are an integral part of this statement.

Highway	Debt Service	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 2,295,138	\$ 2,233,691	\$ 8,388,661	\$ 814,333	\$ 25,909,849
-	-	91,740	-	91,740
36,317	-	9,370	9,536	817,096
247,256	-	767,499	-	1,128,016
10,028	-	-	-	1,415,853
18,792	25,301	121,730	-	165,823
-	-	-	-	-
312,393	25,301	898,599	9,536	3,526,788
165,722	-	-	432	1,496,533
<u>\$ 2,773,253</u>	<u>\$ 2,258,992</u>	<u>\$ 9,379,000</u>	<u>\$ 824,301</u>	<u>\$ 31,024,910</u>
\$ 299,866	\$ 15,000	\$ 185,589	\$ 89,994	\$ 2,534,771
3,412	-	-	-	158,316
-	-	-	10,997	762,208
121,625	-	174,907	-	315,429
-	-	1,000,000	-	1,000,000
424,903	15,000	1,360,496	100,991	4,770,724
165,722	-	-	432	1,496,533
-	2,243,992	7,951,615	274,223	10,575,234
-	-	66,889	-	66,889
2,182,628	-	-	448,655	7,897,684
-	-	-	-	6,217,846
2,348,350	2,243,992	8,018,504	723,310	26,254,186
<u>\$ 2,773,253</u>	<u>\$ 2,258,992</u>	<u>\$ 9,379,000</u>	<u>\$ 824,301</u>	<u>\$ 31,024,910</u>

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## Town of Orangetown, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government - Wide Statement of Net Position December 31, 2018

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Fund Balances - Total Governmental Funds	\$ 26,254,186
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	127,913,745
Governmental funds report the effects of premiums, discounts and similar items when debt is first issued and do not report the effect of assets or liabilities related to net pension assets (liabilities), whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	8,024
Deferred amounts on pension liabilities	4,049,908
Deferred amounts on other postemployment benefit obligations	(14,226,615)
	(10,168,683)
Net position of the internal service funds is included with governmental activities.	(2,311,250)
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(609,458)
Bonds payable	(63,533,152)
Energy performance contract payable	(1,034,166)
Loans payable	(954,000)
Compensated absences	(3,664,778)
Net pension liability	(5,052,708)
Retirement incentives and other pension obligations payable	(2,143,036)
Other post employment benefit obligations payable	(129,236,348)
	(206,227,646)
Net Position of Governmental Activities	\$ (64,539,648)

The notes to the financial statements are an integral part of this statement.

**Town of Orangetown, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Governmental Funds  
Year Ended December 31, 2018

	General	Town Outside Villages	Sewer	Highway
<b>REVENUES</b>				
Real property taxes	\$ 1,965,784	\$ 26,368,925	\$ 6,636,390	\$ 10,432,689
Other tax items	1,613,884	141,216	-	-
Non-property taxes	2,590,116	-	-	-
Departmental income	789,228	3,897,491	552,993	-
Intergovernmental charges	-	197,287	1,175,972	168,755
Use of money and property	229,165	252,117	74,486	106,916
Licenses and permits	406,164	-	-	-
Fines and forfeitures	460,384	-	-	-
Sale of property and compensation for loss	-	-	-	58,416
Interfund revenues	3,456,264	131,614	-	18,792
State aid	1,896,256	225,323	18,063	444,237
Federal aid	35,000	-	-	-
Miscellaneous	270,020	96,402	100,000	145,659
Total Revenues	<u>13,712,265</u>	<u>31,310,375</u>	<u>8,557,904</u>	<u>11,375,464</u>
<b>EXPENDITURES</b>				
Current				
General government support	6,795,887	1,697,709	973,219	1,207,745
Public safety	245,026	16,719,557	-	-
Health	39,833	-	-	-
Transportation	497,374	253,958	-	6,616,477
Economic opportunity and development	189,893	-	-	-
Culture and recreation	2,609,415	-	-	-
Home and community services	160,324	1,111,763	6,295,541	-
Employee benefits	3,917,669	10,107,977	2,409,918	2,941,030
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>14,455,421</u>	<u>29,890,964</u>	<u>9,678,678</u>	<u>10,765,252</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(743,156)</u>	<u>1,419,411</u>	<u>(1,120,774)</u>	<u>610,212</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	-	-
Sale of real property	15,835	-	-	-
Transfers in	-	-	-	-
Transfers out	(3,662,654)	-	-	(121,624)
Total Other Financing Sources (Uses)	<u>(3,646,819)</u>	<u>-</u>	<u>-</u>	<u>(121,624)</u>
Net Change in Fund Balances	<u>(4,389,975)</u>	<u>1,419,411</u>	<u>(1,120,774)</u>	<u>488,588</u>
<b>FUND BALANCES</b>				
Beginning of Year	<u>11,981,689</u>	<u>3,130,774</u>	<u>1,898,905</u>	<u>1,859,762</u>
End of Year	<u>\$ 7,591,714</u>	<u>\$ 4,550,185</u>	<u>\$ 778,131</u>	<u>\$ 2,348,350</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 6,123,654	\$ -	\$ 1,985,408	\$ 53,512,850
-	-	-	1,755,100
-	-	-	2,590,116
-	-	103,133	5,342,845
-	-	-	1,542,014
90,150	-	16,196	769,030
-	-	-	406,164
-	-	-	460,384
-	-	-	58,416
-	-	-	3,606,670
-	109,409	-	2,693,288
-	(39,158)	-	(4,158)
15,331	-	10,669	638,081
<u>6,229,135</u>	<u>70,251</u>	<u>2,115,406</u>	<u>73,370,800</u>
159,674	-	-	10,834,234
-	-	634,987	17,599,570
-	-	400,000	439,833
-	-	90,302	7,458,111
-	-	-	189,893
-	-	47,758	2,657,173
-	-	931,349	8,498,977
-	-	-	19,376,594
5,738,038	-	-	5,738,038
1,380,607	-	-	1,380,607
-	1,817,641	-	1,817,641
<u>7,278,319</u>	<u>1,817,641</u>	<u>2,104,396</u>	<u>75,990,671</u>
<u>(1,049,184)</u>	<u>(1,747,390)</u>	<u>11,010</u>	<u>(2,619,871)</u>
-	8,207,564	-	8,207,564
-	-	-	15,835
3,586,497	131,174	-	3,717,671
(2,422,063)	-	-	(6,206,341)
<u>1,164,434</u>	<u>8,338,738</u>	<u>-</u>	<u>5,734,729</u>
115,250	6,591,348	11,010	3,114,858
<u>2,128,742</u>	<u>1,427,156</u>	<u>712,300</u>	<u>23,139,328</u>
<u>\$ 2,243,992</u>	<u>\$ 8,018,504</u>	<u>\$ 723,310</u>	<u>\$ 26,254,186</u>

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## Town of Orangetown, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2018

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Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	\$ 3,114,858
Governmental funds 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.	
Capital outlay expenditures	3,997,947
Depreciation expense	(5,629,269)
	(1,631,322)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Grant - EFC	500,000
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Bonds issued	(8,207,564)
Principal paid on loans - EFC	30,000
Principal paid on bonds	5,547,692
Principal paid on energy performance contract	160,346
Amortization of issuance premium and loss on refunding	(22,753)
	(2,492,279)
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.	
Accrued interest	740
Compensated absences	(63,315)
Retirement incentives and other pension obligations	395,000
Pension obligations	(441,658)
Other post employment benefit obligations	(2,324,171)
	(2,433,404)
Internal service funds are used by management to charge the cost of risk activities to individual funds. The net revenue or expenses of the internal service funds are reported within governmental activities.	
	(324,697)
Change in Net Position of Governmental Activities	\$ (3,266,844)

The notes to the financial statements are an integral part of this statement.

**Town of Orangetown, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
General, Town Outside Villages, Sewer and Highway Funds  
Year Ended December 31, 2018

	General				Town Outside Villages			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>								
Real property taxes	\$ 1,918,191	\$ 1,918,191	\$ 1,965,784	\$ 47,593	\$ 26,368,386	\$ 26,368,386	\$ 26,368,925	\$ 539
Other tax items	1,610,384	1,610,384	1,613,884	3,500	87,000	87,000	141,216	54,216
Non-property taxes	2,500,000	2,500,000	2,590,116	90,116	-	-	-	-
Departmental income	819,150	819,150	789,228	(29,922)	1,795,000	2,100,981	3,897,491	1,796,510
Intergovernmental charges	-	-	-	-	111,000	111,000	197,287	86,287
Use of money and property	186,500	186,500	229,165	42,665	28,000	198,000	252,117	54,117
Licenses and permits	90,500	384,627	406,164	21,537	-	-	-	-
Fines and forfeitures	400,000	400,000	460,384	60,384	-	-	-	-
Sale of property and compensation for loss	-	-	-	-	-	-	-	-
Interfund revenues	3,456,263	3,456,263	3,456,264	1	-	-	131,614	131,614
State aid	1,690,000	1,690,000	1,896,256	206,256	97,710	97,710	225,323	127,613
Federal aid	-	-	35,000	35,000	-	-	-	-
Miscellaneous	779,757	779,757	270,020	(509,737)	19,000	19,000	96,402	77,402
<b>Total Revenues</b>	<b>13,450,745</b>	<b>13,744,872</b>	<b>13,712,265</b>	<b>(32,607)</b>	<b>28,506,096</b>	<b>28,982,077</b>	<b>31,310,375</b>	<b>2,328,298</b>
<b>EXPENDITURES</b>								
Current								
General government support	5,938,310	6,795,887	6,795,887	-	1,678,093	1,697,709	1,697,709	-
Public safety	208,273	245,026	245,026	-	15,255,732	16,938,430	16,719,557	218,873
Health	39,833	39,833	39,833	-	-	-	-	-
Transportation	495,281	497,374	497,374	-	400,000	253,959	253,958	1
Economic opportunity and development	194,500	189,893	189,893	-	-	-	-	-
Culture and recreation	2,570,917	2,609,415	2,609,415	-	-	-	-	-
Home and community services	155,429	160,324	160,324	-	1,128,810	1,111,764	1,111,763	1
Employee benefits	4,565,312	3,917,680	3,917,669	11	10,722,856	10,132,287	10,107,977	24,310
<b>Total Expenditures</b>	<b>14,167,855</b>	<b>14,455,432</b>	<b>14,455,421</b>	<b>11</b>	<b>29,185,491</b>	<b>30,134,149</b>	<b>29,890,964</b>	<b>243,185</b>
Excess (Deficiency) of Rev- enues Over Expenditures	(717,110)	(710,560)	(743,156)	(32,596)	(679,395)	(1,152,072)	1,419,411	2,571,483
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of real property	-	-	15,835	15,835	-	-	-	-
Transfers out	(69,607)	(3,662,654)	(3,662,654)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(69,607)</b>	<b>(3,662,654)</b>	<b>(3,646,819)</b>	<b>15,835</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(786,717)</b>	<b>(4,373,214)</b>	<b>(4,389,975)</b>	<b>(16,761)</b>	<b>(679,395)</b>	<b>(1,152,072)</b>	<b>1,419,411</b>	<b>2,571,483</b>
<b>FUND BALANCES</b>								
Beginning of Year	786,717	4,373,214	11,981,689	7,608,475	679,395	1,152,072	3,130,774	1,978,702
End of Year	\$ -	\$ -	\$ 7,591,714	\$ 7,591,714	\$ -	\$ -	\$ 4,550,185	\$ 4,550,185

Sewer				Highway			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,632,294	\$ 6,632,294	\$ 6,636,390	\$ 4,096	\$ 10,432,669	\$ 10,432,669	\$ 10,432,689	\$ 20
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
850,000	850,000	552,993	(297,007)	-	-	-	-
1,000,000	1,017,470	1,175,972	158,502	165,000	165,000	168,755	3,755
3,500	73,500	74,486	986	15,500	15,500	106,916	91,416
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	18,000	18,000	58,416	40,416
-	-	-	-	-	-	18,792	18,792
-	-	18,063	18,063	474,515	474,515	444,237	(30,278)
-	-	-	-	-	-	-	-
5,000	100,000	100,000	-	103,000	103,000	145,659	42,659
8,490,794	8,673,264	8,557,904	(115,360)	11,208,684	11,208,684	11,375,464	166,780
970,819	973,219	973,219	-	1,195,319	1,207,745	1,207,745	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6,774,057	7,365,041	6,616,477	748,564
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,628,071	6,295,541	6,295,541	-	-	-	-	-
2,619,320	2,409,920	2,409,918	2	3,436,040	3,216,005	2,941,030	274,975
9,218,210	9,678,680	9,678,678	2	11,405,416	11,788,791	10,765,252	1,023,539
(727,416)	(1,005,416)	(1,120,774)	(115,358)	(196,732)	(580,107)	610,212	1,190,319
-	-	-	-	-	-	-	-
-	-	-	-	-	(121,625)	(121,624)	1
-	-	-	-	-	(121,625)	(121,624)	1
(727,416)	(1,005,416)	(1,120,774)	(115,358)	(196,732)	(701,732)	488,588	1,190,320
727,416	1,005,416	1,898,905	893,489	196,732	701,732	1,859,762	1,158,030
\$ -	\$ -	\$ 778,131	\$ 778,131	\$ -	\$ -	\$ 2,348,350	\$ 2,348,350

**Town of Orangetown, New York**

Statement of Net Position  
Proprietary Funds  
December 31, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Blue Hill Golf Course	Broadacres Golf Course	Totals	
<b>ASSETS</b>				
Current assets				
Cash and equivalents	\$ 380,021	\$ 66,951	\$ 446,972	\$ 241,204
Receivables				
Accounts	70,352	-	70,352	-
Due from other funds	337,893	-	337,893	86,354
	408,245	-	408,245	86,354
Prepaid expenses	-	155	155	247,534
Total Current Assets	788,266	67,106	855,372	575,092
Noncurrent assets				
Capital assets				
Land	3,071,006	2,382,819	5,453,825	-
Buildings and improvements	835,062	352,216	1,187,278	-
Improvements other than buildings	6,390,378	334,721	6,725,099	-
Machinery and equipment	1,762,455	237,767	2,000,222	-
	12,058,901	3,307,523	15,366,424	-
Less - Accumulated depreciation	(7,521,578)	(539,590)	(8,061,168)	-
Total Noncurrent Assets	4,537,323	2,767,933	7,305,256	-
Total Assets	5,325,589	2,835,039	8,160,628	575,092
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	59,649	19,423	79,072	52,195
Accrued interest payable	7,870	-	7,870	-
Due to other governments	779	60,673	61,452	-
Due to other funds	394	187,893	188,287	86,354
Unearned revenues	40,764	-	40,764	-
Current maturities of bonds payable	96,573	-	96,573	-
Current maturities of loans payable	200,000	-	200,000	-
Current portion of claims payable	-	-	-	275,000
Total Current Liabilities	406,029	267,989	674,018	413,549
Noncurrent liabilities				
Bonds payable, less current maturities	817,757	-	817,757	-
Loans payable, less current maturities	2,634,934	2,567,073	5,202,007	-
Claims payable, less current portion	-	-	-	2,472,793
Other post employment benefit obligations payable	601,641	320,527	922,168	-
Total Noncurrent Liabilities	4,054,332	2,887,600	6,941,932	2,472,793
Total Liabilities	4,460,361	3,155,589	7,615,950	2,886,342
<b>NET POSITION</b>				
Net investment in capital assets	3,622,993	2,767,933	6,390,926	-
Unrestricted	(2,757,765)	(3,088,483)	(5,846,248)	(2,311,250)
Total Net Position	\$ 865,228	\$ (320,550)	\$ 544,678	\$ (2,311,250)

The notes to the financial statements are an integral part of this statement.

**Town of Orangetown, New York**

Statement of Revenues, Expenses and  
Changes in Net Position  
Proprietary Funds  
Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Blue Hill Golf Course	Broadacres Golf Course	Totals	
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	\$ 2,625,026
Insurance recoveries	-	-	-	497,231
Greens fees	1,580,203	402,356	1,982,559	-
Cart rental	571,457	94,596	666,053	-
Facility rental	24,000	-	24,000	-
Permit cards	130,415	-	130,415	-
Other income	27,125	-	27,125	-
Total Operating Revenues	2,333,200	496,952	2,830,152	3,122,257
<b>OPERATING EXPENSES</b>				
Rental of equipment	95,450	27,685	123,135	-
Repairs and maintenance	4,819	228	5,047	-
Utilities	5,015	12,534	17,549	-
Insurance	-	-	-	1,318,474
Contractual and other	1,730,242	672,653	2,402,895	46,158
Employee benefits	116,163	28,704	144,867	1,928,924
Employee benefits - other postemployment benefits	(75,878)	(41,850)	(117,728)	-
Judgments and claims	-	-	-	153,598
Depreciation	219,848	28,215	248,063	-
Total Operating Expenses	2,095,659	728,169	2,823,828	3,447,154
Income (Loss) from Operations	237,541	(231,217)	6,324	(324,897)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest income	9,362	579	9,941	200
Interest expense	(25,447)	(56,421)	(81,868)	-
Total Non-Operating Revenues (Expenses)	(16,085)	(55,842)	(71,927)	200
Income (Loss) Before Transfers	221,456	(287,059)	(65,603)	(324,697)
Transfers in	109,802	2,378,868	2,488,670	-
Change in Net Position	331,258	2,091,809	2,423,067	(324,697)
<b>NET POSITION</b>				
Beginning of Year, as reported	556,514	(2,061,405)	(1,504,891)	(1,986,553)
Cumulative Effect of Change in Accounting Principle	(22,544)	(350,954)	(373,498)	-
Beginning of Year, as restated	533,970	(2,412,359)	(1,878,389)	(1,986,553)
End of Year	\$ 865,228	\$ (320,550)	\$ 544,678	\$ (2,311,250)

The notes to the financial statements are an integral part of this statement.

**Town of Orangetown, New York**

Statement of Cash Flows  
 Proprietary Funds  
 Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Blue Hill Golf Course	Broadacres Golf Course	Totals	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from charges for services	\$ 2,341,931	\$ 496,952	\$ 2,838,883	\$ -
Cash received from interfund services provided	-	-	-	2,548,378
Cash received from insurance recoveries	-	-	-	497,231
Cash payments to vendors	(2,872,950)	(590,296)	(3,463,246)	-
Cash payments to insurance carriers and claimants	-	-	-	(2,901,249)
Cash payments to employees	(116,163)	(28,859)	(145,022)	-
Net Cash from Operating Activities	(647,182)	(122,203)	(769,385)	144,360
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Repayment of loans from other funds	(200,000)	-	(200,000)	-
Transfers in	109,802	2,378,868	2,488,670	-
Net Cash from Non-Capital Financing Activities	(90,198)	2,378,868	2,288,670	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal paid on bonds	(85,196)	(2,227,114)	(2,312,310)	-
Bonds issued	150,000	-	150,000	-
Interest paid on indebtedness	(25,000)	(33,226)	(58,226)	-
Net Cash from Capital and Related Financing Activities	39,804	(2,260,340)	(2,220,536)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income	9,362	579	9,941	200
Net Change in Cash and Equivalents	(688,214)	(3,096)	(691,310)	144,560
<b>CASH AND EQUIVALENTS</b>				
Beginning of Year	1,068,235	70,047	1,138,282	96,644
End of Year	\$ 380,021	\$ 66,951	\$ 446,972	\$ 241,204
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>				
Income (loss) from operations	\$ 237,541	\$ (231,217)	\$ 6,324	\$ (324,897)
Adjustments to reconcile income (loss) from operations to net cash from operating activities				
Depreciation	219,848	28,215	248,063	-
Changes in assets and liabilities				
Accounts receivable	4,631	-	4,631	-
Due from other funds	716,929	63,993	780,922	(76,545)
Prepaid expenses	-	(155)	(155)	(20,741)
Accounts payable	645	14,878	15,523	26,406
Due to other governments	190	(31)	159	-
Due to other funds	(1,755,188)	43,964	(1,711,224)	(103)
Unearned revenues	4,100	-	4,100	-
Claims payable	-	-	-	540,240
Other post employment benefit obligations payable	(75,878)	(41,850)	(117,728)	-
Net Cash from Operating Activities	\$ (647,182)	\$ (122,203)	\$ (769,385)	\$ 144,360
Non-Cash Non Operating, Capital and Related Financing Activities				
Amortization of bond premium	\$ -	\$ (64,004)	\$ (64,004)	\$ -
Amortization of deferred loss on bond	-	120,424	120,424	-

The notes to the financial statements are an integral part of this statement.

**Town of Orangetown, New York**

Statement of Assets and Liabilities  
Fiduciary Fund  
December 31, 2018

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 1,571,521</u>
 <b>LIABILITIES</b>	
Accounts payable	\$ 25,495
Deposits	<u>1,546,026</u>
	<u>\$ 1,571,521</u>

The notes to the financial statements are an integral part of this statement.

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**Note 1 - Summary of Significant Accounting Policies**

The Town of Orangetown, New York ("Town") was established in 1788 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as the chief executive and chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

**A. Financial Reporting Entity**

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following individual component unit is included in the Town's reporting entity because of its operational or financial relationship with the Town.

The Orangetown Housing Authority ("Housing Authority") was organized in 1989 as a municipal housing authority created and established for the Town under the Public Housing Law of the State of New York for the purpose of providing decent, safe and sanitary housing for persons of low income and other related purposes. The five members of the Housing Authority's Board are appointed by the Town Board. Consequently, the Town is able to impose its will on the Housing Authority. Bonds issued by the Housing Authority are guaranteed by the Town. As such, the Housing Authority may impose a financial burden on the Town. Since the Housing Authority does not provide services entirely or almost entirely to the Town, the financial statements of the Housing Authority have been reflected as a discretely presented component unit.

Complete financial statements of the component unit can be obtained at the address indicated below:

Orangetown Housing Authority  
c/o ARCO Management  
113 Bon Aire Circle  
Suffern, New York 10901

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole and its component unit. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the financial position of the Town and its component unit at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Funds and the Internal Service Funds are charges to customers for services. Operating expenses for the Enterprise Funds and the Internal Service Funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**C. Fund Financial Statements**

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The Town's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds.

General Fund - The General Fund constitutes the primary fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:

Town Outside Villages Fund - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenues of this fund are real property taxes and departmental income.

Sewer Fund - The Sewer Fund is used to account for the operation and maintenance of the Town's sewer facilities. The major revenues of this fund are real property taxes, departmental income and intergovernmental charges.

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and certain fiscal agent fees and for financial resources that are being accumulated for principal and interest maturing in future years.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The Town also reports the following non-major governmental funds:

Special Revenue Funds:

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, fire protection and ambulance districts.

Pearl River Parking Fund - The Pearl River Parking Fund is used to account for the operation and maintenance of parking meters and parking lots in certain areas of the Town.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Blue Hill Golf Course and the Broadacres Golf Course are recorded as major enterprise funds. The Town has established its Workers' Compensation Benefits and Risk Retention funds as internal service funds.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Agency Fund is also used to account for employee payroll tax withholdings or deposits that are payable to other jurisdictions or individuals.

**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements and the proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability, certain claims, retirement incentives and other pension obligations and other post employment benefit obligations payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**Component Unit**

Component units are presented on the basis of accounting that most accurately reflects their activities. The Housing Authority is accounted for on the accrual basis of accounting.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances**

**Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Town's deposits and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

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

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in

**Note 1 - Summary of Significant Accounting Policies (Continued)**

active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2018.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town's investment policy limits the amount on deposit at each of its banking institutions.

**Restricted Cash** - Restricted cash in the Capital Projects Fund consists of funding held by a State agency. These funds are to be used for the Town's Capital Projects Fund sewer reconstruction projects. The component unit's restricted cash includes rent security deposits required from tenants according to the terms of the lease agreements.

**Restricted Investments** - Restricted investments of the component unit, the Orangetown Housing Authority ("Authority") consist of certain proceeds from the Authority revenue bonds, as well as certain other resources set aside pursuant to the terms of the bond indenture. These investments consist of mutual funds and U.S. Government bonds in the amount of \$3,424,474 and are valued using Level 2 inputs.

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway, sewer, special district and debt service taxes which are due January 1st and payable without penalty until January 31st. The Town retains the total amount of town, highway, sewer, special district and debt service taxes from the total collection and returns the balance plus the uncollected items to the County of Rockland, New York ("County"), which assumes collection responsibility. The Town also acts in a fiduciary capacity for the collection of school districts taxes. These taxes are collected in September and remitted to the school districts as collected. Any unpaid taxes are transferred to the County, which guarantees the balance of the levy to the school districts.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds** - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2018, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide financial statements as internal balances.

**Loans Receivable/Payable** - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are categorized as loans receivable/payable since the amounts may be outstanding for extended periods of time. The loan receivable of \$5,402,007 in the General Fund is offset with an allowance for uncollectible inter-fund loans and represents advances to Blue Hill and Broadacres Golf Course funds of \$2,834,934 and \$2,567,073, respectively.

**Inventory** - 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 are not material.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent years budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business type activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 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 acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized by using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Major outlays 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 assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment 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>
Land improvements	20-45
Buildings and improvements	35-60
Improvements other than buildings	20
Infrastructure	7-50
Machinery and equipment	5-25

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In government-wide financial statements, unearned revenue consists of grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those whose asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$40,764 for golf fees received in advance in the Blue Hill Golf Course Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**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 of 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.

The Town has reported deferred outflows of resources of \$8,024 for deferred losses on refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.



**Note 1 - Summary of Significant Accounting Policies (Continued)**

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Police and Fire Retirement System	\$ 9,197,786	\$ 6,213,632
New York State and Local Employees' Retirement System	6,770,912	5,705,158
Other postemployment benefit obligations	-	#####
Deferred amounts on refunding bonds	8,024	-
	<u>\$ #####</u>	<u>\$ #####</u>

**Long-Term Liabilities** - In the government-wide and proprietary fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as General, Capital Projects or Debt Service funds expenditures.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Net Pension Liability** - The net pension liability represents the Town's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date".

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for law enforcement, debt service and special purpose funds. The balance is classified as unrestricted.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Fund Balance** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town Board removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Director of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is

**Note 1 - Summary of Significant Accounting Policies (Continued)**

the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Town Outside Villages, Sewer, Highway and certain non-major funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. 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/expenses during the reporting period. Actual results could differ from those estimates.

**H. 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 28, 2019.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

The Town generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) Between the 5th and 10th of October, the Town Board shall prepare and approve a preliminary budget. The preliminary budget includes the estimated revenues and expenditures for the ensuing fiscal year.
- b) Immediately after the preliminary budget has been prepared and approved, the Town Board shall file the original copy with the Town Clerk where it shall be available for inspection by the public. In addition, the Town Board shall adopt a resolution specifying the time and place of a public hearing, which shall be held on or before December 10th.
- c) At the public hearing, taxpayers may comment on the preliminary budget.
- d) Within five days after the hearing, the Town Board shall adopt the preliminary budget as originally compiled or it may, by a majority vote, diminish or reject certain items contained therein as prescribed by law.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

- e) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Sewer, Highway, Debt Service and certain non-major funds.
- f) Budgets for General, Town Outside Villages, Sewer, Highway, Debt Service and the Pearl River Parking funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Special Districts, Special Purpose or Proprietary funds.
- g) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in the General, Town Outside Villages, Sewer, Highway, Debt Service and the Pearl River Parking funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the legislature. Amendments for the current year are as follows:

	General Fund	Town Outside Village Fund	Sewer Fund	Highway Fund
Operating expenditures funded by various unanticipated revenues	\$ 294,127	\$ 475,981	\$ 182,470	\$ -
Operating expenditures funded by appropriated surplus	3,586,497	472,677	278,000	505,000
	<u>\$ 3,880,624</u>	<u>\$ 948,658</u>	<u>\$ 460,470</u>	<u>\$ 505,000</u>

**B. Property Tax Limitation**

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

**C. Fund Deficits**

The following funds have unrestricted deficits at December 31, 2018:

Internal Service Funds	
Workers' Compensation Benefits	\$ 1,942,285
Risk Retention	368,965
Enterprise Funds	
Blue Hill Golf Course	\$ 2,757,765
Broadacres Golf Course	3,088,483

In addition the South Orangetown Ambulance Sub-Fund within the Special Districts Fund reflects a deficit of \$340.

These deficits will be addressed in the ensuing years.

**D. Cumulative Effect of Change in Accounting Principle**

For the year ended December 31, 2018, the Town implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")". This statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governments by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. As a result of adopting these standards, the government-wide and business-type activities/enterprise fund financial statements reflect a cumulative effect for the change in accounting principle of \$(73,279,352) and (373,498).

## Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

### Note 2 - Stewardship, Compliance and Accountability (Continued)

#### **E. Capital Projects Fund Deficits**

The deficit in the Sewer Improvements - Nyack Inflow and Infiltration capital project of (\$906,260) and the deficit in the Pearl River Pedestrian link capital project of (\$472) arises because of expenditures exceeding current financing on the project. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

### Note 3 - Detailed Notes on All Funds

#### **A. Due From/To Other Funds**

The balances reflected as due from/to other funds at December 31, 2018 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 12,129
Sewer	-	6,768
Highway	18,792	121,625
Debt Service	25,301	-
Capital Projects	121,730	174,907
Blue Hill Golf Course	337,893	394
Broadacres Golf Course	-	187,893
Internal Service Funds	86,354	86,354
	<u>\$ 590,070</u>	<u>\$ 590,070</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

#### **B. Capital Assets**

Changes in the Town's capital assets are as follows:

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2018</u>
<b>Governmental Activities</b>				
Capital Assets, not being depreciated:				
Land	\$ 16,264,713	\$ -	\$ -	\$ 16,264,713
Construction-in-progress	8,153,385	300,161	6,020,812	2,432,734
Total Capital Assets, not being depreciated	<u>\$ 24,418,098</u>	<u>\$ 300,161</u>	<u>\$ 6,020,812</u>	<u>\$ 18,697,447</u>

# Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

## Note 3 - Detailed Notes on All Funds (Continued)

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Capital Assets, being depreciated:				
Land improvements	\$ 11,672,318	\$ 880,172	\$ -	\$ 12,552,490
Buildings and improvements	12,790,574	233,655	-	13,024,229
Infrastructure	168,167,526	7,565,646	-	175,733,172
Machinery and equipment	26,592,874	1,039,125	329,510	27,302,489
Total Capital Assets, being depreciated	219,223,292	9,718,598	329,510	228,612,380
Less Accumulated Depreciation for:				
Land improvements	5,621,638	532,886	-	6,154,524
Buildings and improvements	6,260,509	279,377	-	6,539,886
Infrastructure	83,681,274	3,399,931	-	87,081,205
Machinery and equipment	18,532,902	1,417,075	329,510	19,620,467
Total Accumulated Depreciation	114,096,323	5,629,269	329,510	119,396,082
Total Capital Assets, being depreciated, net	<u>\$ 105,126,969</u>	<u>\$ 4,089,329</u>	<u>\$ -</u>	<u>\$ 109,216,298</u>
Governmental Activities Capital Assets, net	<u>\$ 129,545,067</u>	<u>\$ 4,389,490</u>	<u>\$ 6,020,812</u>	<u>\$ 127,913,745</u>
	Balance January 1, 2018	Additions	Balance December 31, 2018	
<b>Business-type Activities</b>				
Capital Assets, not being depreciated - Land	<u>\$ 5,453,825</u>	<u>\$ -</u>	<u>\$ 5,453,825</u>	
Capital Assets, being depreciated:				
Buildings and improvements	\$ 1,187,278	\$ -	\$ 1,187,278	
Improvements other than buildings	6,725,099	-	6,725,099	
Machinery and equipment	2,000,222	-	2,000,222	
Total Capital Assets, being depreciated	9,912,599	-	9,912,599	
Less Accumulated Depreciation for:				
Buildings and improvements	880,288	21,886	902,174	
Improvements other than buildings	5,012,484	204,878	5,217,362	
Machinery and equipment	1,920,333	21,299	1,941,632	
Total Accumulated Depreciation	7,813,105	248,063	8,061,168	
Total Capital Assets, being depreciated, net	<u>\$ 2,099,494</u>	<u>\$ (248,063)</u>	<u>\$ 1,851,431</u>	
Business-type Activities Capital Assets, net	<u>\$ 7,553,319</u>	<u>\$ (248,063)</u>	<u>\$ 7,305,256</u>	

**Town of Orangetown, New York**

Notes to Financial Statements (Continued)  
 December 31, 2018

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**Note 3 - Detailed Notes on All Funds (Continued)**

Depreciation expense was charged to the Town's functions and programs as follows:

Governmental Activities:	
General Government Support	\$ 188,255
Public Safety	269,546
Transportation	2,239,420
Culture and Recreation	721,255
Home and Community Services	<u>2,210,793</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,629,269</u>
Business-type Activities:	
Blue Hill Golf Course	\$ 219,848
Broadacres Golf Course	<u>28,215</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 248,063</u>

**Capital Assets - Component Unit**

Changes in the Housing Authority's capital assets are as follows:

	Balance January 1, 2018	Additions	Balance December 31, 2018
Capital Assets, not being depreciated - Land	<u>\$ 1,969,055</u>	<u>\$ -</u>	<u>\$ 1,969,055</u>
Capital Assets, being depreciated:			
Buildings and improvements	<u>\$ 6,935,679</u>	<u>\$ 146,059</u>	<u>\$ 7,081,738</u>
Machinery and equipment	<u>428,833</u>	<u>36,104</u>	<u>464,937</u>
Total Capital Assets, being depreciated	<u>7,364,512</u>	<u>182,163</u>	<u>7,546,675</u>
Less Accumulated Depreciation for:			
Buildings and improvements	<u>4,636,625</u>	<u>203,213</u>	<u>4,839,838</u>
Machinery and equipment	<u>364,100</u>	<u>31,754</u>	<u>395,854</u>
Total Accumulated Depreciation	<u>5,000,725</u>	<u>234,967</u>	<u>5,235,692</u>
Total Capital Assets, being depreciated, net	<u>\$ 2,363,787</u>	<u>\$ (52,804)</u>	<u>\$ 2,310,983</u>
Housing Authority Capital Assets, net	<u>\$ 4,332,842</u>	<u>\$ (52,804)</u>	<u>\$ 4,280,038</u>



# Town of Orangetown, New York

## Notes to Financial Statements (Continued) December 31, 2018

### Note 3 - Detailed Notes on All Funds (Continued)

#### C. Accrued Liabilities

Accrued liabilities at December 31, 2018 were as follows:

	Fund				Total
	General	Town Outside Villages	Sewer	Highway	
Payroll and Employee Benefits	\$ 11,718	\$ 115,495	\$ 27,691	\$ 3,412	\$ 158,316

#### D. Loans Payable

The Town, in 2017, received a loan from the New York State Environmental Facilities Corporation in the amount of \$1,000,000 to finance improvements to its clean water systems. The loan has a stated interest rate of 2.0% and matures September 2020. The balance due at December 31, 2018 was \$1,000,000.

#### E. Long-Term Indebtedness

The following table summarizes changes in the primary government and component unit's long-term indebtedness for the year ended December 31, 2018:

	Balance as Reported January 1, 2018	Cumulative Effect of Change in Accounting Principle*	Balance as Restated January 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2018	Due Within One Year
<b>Governmental Activities</b>							
Bonds Payable:							
Capital Construction	\$ 60,433,362	\$ -	\$ 60,433,362	\$ 8,207,564	\$ 5,402,692	\$ 63,238,234	\$ 4,490,990
Other	295,000	-	295,000	-	145,000	150,000	150,000
	60,728,362	-	60,728,362	8,207,564	5,547,692	63,388,234	4,640,990
Plus -							
Unamortized premium on bonds	217,021	-	217,021	-	72,103	144,918	-
	60,945,383	-	60,945,383	8,207,564	5,619,795	63,533,152	4,640,990
Energy Performance Contract Payable	1,194,512	-	1,194,512	-	160,346	1,034,166	168,253
Loans Payable - EFC	1,484,000	-	1,484,000	-	530,000	954,000	-
	63,623,895	-	63,623,895	8,207,564	6,310,141	65,521,318	4,809,243
Other Noncurrent Liabilities:							
Compensated Absences	3,601,463	-	3,601,463	423,315	360,000	3,664,778	366,000
Net Pension Liability	11,765,367	-	11,765,367	-	6,712,659	5,052,708	-
Claims Payable	2,207,553	-	2,207,553	2,082,522	1,542,282	2,747,793	275,000
Retirement Incentives and Other Pension Obligations	2,538,036	-	2,538,036	-	395,000	2,143,036	407,630
Other Post Employment Benefit Obligations Payable	67,859,440	73,279,352	141,138,792	-	11,902,444	129,236,348	-
Total Other Noncurrent Liabilities	87,971,859	73,279,352	161,251,211	2,505,837	20,912,385	142,844,663	1,048,630
Governmental Activities Long-Term Liabilities	\$ 151,595,754	\$ 73,279,352	\$ 224,875,106	\$ 10,713,401	\$ 27,222,526	\$ 208,365,981	\$ 5,857,873

# Town of Orangetown, New York

## Notes to Financial Statements (Continued)

December 31, 2018

### Note 3 - Detailed Notes on All Funds (Continued)

	Balance as Reported January 1, 2018	Cumulative Effect of Change in Accounting Principle*	Balance as Restated January 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2018	Due Within One Year
<b>Business-Type Activities</b>							
Bonds Payable -							
Capital Construction	\$ 3,076,640	\$ -	\$ 3,076,640	\$ 150,000	\$ 2,312,310	\$ 914,330	\$ 96,573
Plus -							
Unamortized premium on bonds	64,004	-	64,004	-	64,004	-	-
	<u>3,140,644</u>	<u>-</u>	<u>3,140,644</u>	<u>150,000</u>	<u>2,376,314</u>	<u>914,330</u>	<u>96,573</u>
Other Noncurrent Liabilities							
Loans Payable - Other Funds	5,602,007	-	5,602,007	-	200,000	5,402,007	200,000
Other Post Employment Benefit Obligations Payable	666,398	373,498	1,039,896	-	117,728	922,168	-
Total Other Noncurrent Liabilities	<u>6,268,405</u>	<u>373,498</u>	<u>6,641,903</u>	<u>-</u>	<u>317,728</u>	<u>6,324,175</u>	<u>200,000</u>
Business-Type Activities Long-Term Liabilities	<u>\$ 9,409,049</u>	<u>\$ 373,498</u>	<u>\$ 9,782,547</u>	<u>\$ 150,000</u>	<u>\$ 2,694,042</u>	<u>\$ 7,238,505</u>	<u>\$ 296,573</u>
Housing Authority - Component Unit							
Revenue Bonds Payable	\$ 6,770,000	\$ -	\$ 6,770,000	\$ -	\$ 345,000	\$ 6,425,000	\$ 350,000
Unamortized discount	144,401	-	144,401	-	6,017	138,384	-
	<u>\$ 6,625,599</u>	<u>\$ -</u>	<u>\$ 6,625,599</u>	<u>\$ -</u>	<u>\$ 338,983</u>	<u>\$ 6,286,616</u>	<u>\$ 350,000</u>

\*See Note 2D

Each governmental funds' liability for compensated absences, net pension liability, claims payable, retirement incentives and other pension obligations and other post employment benefit obligations payable is liquidated primarily by the General, Town Outside Villages, Sewer, Highway and Enterprise funds. The Town's indebtedness for bonds, energy performance contract debt and loans payable is satisfied by the Debt Service Fund.

### Bonds Payable

Bonds payable at December 31, 2018 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2018
Sewer Improvements	2001	\$ 1,025,000	November, 2021	2.9730 - 3.4200 %	\$ 330,000
Sewer Reconstruction	2002	5,775,000	May, 2024	5.9313 - 6.1813	2,015,000
Public Improvements	2008	45,480,718	April, 2038	4.2700	33,380,000
Tax Certiorari Refunds	2009	1,255,000	December, 2019	3.0000	150,000
Public Improvements	2010	8,695,000	September, 2026	3.0000	4,854,235
Blue Hill Golf Course	2010	1,300,000	September, 2026	3.0000	725,764
Public Improvements	2011	3,369,194	November, 2040	2.4240 - 4.7460	2,710,000
Public Improvements	2012	1,605,800	May, 2042	1.1190 - 4.0980	1,335,000
Public Improvements	2013	3,830,000	July, 2023	3.0000	1,825,000
Refunding Bonds	2013	1,605,000	July, 2019	2.0000	330,000
Blue Hill Golf Course	2014	62,000	February, 2024	2.0000 - 2.2500	38,566
Public Improvements	2014	5,179,000	February, 2024	2.0000 - 2.2500	3,221,435
Various Purposes	2015	2,700,000	January, 2030	2.0000 - 4.0000	2,375,000
Various Purposes	2016	3,107,500	January, 2029	2.0000 - 4.0000	2,655,000
Blue Hill Golf Course	2018	8,207,564	March, 2033	3.0000 - 3.2500	150,000
Public Improvements	2018	150,000	March, 2033	3.0000 - 3.2500	8,207,564
					<u>\$ 64,302,564</u>

# Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

## Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$1,325,640 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$25,447 and \$56,421 was recorded in the fund financial statements in the Enterprise Funds - Blue Hill Golf Course and Broadacres Golf Course, respectively, and the government-wide financial statements for business-type activities and interest expense of \$1,347,653 was recorded in the government-wide financial statement for governmental activities.

### Energy Performance Contract Payable

The Town, during 2009, entered into a \$2,100,000 contractual agreement to install energy saving equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for quarterly payments of \$53,828, including interest at 4.84% through June 2024. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures/expense of \$54,967 were recorded in the fund financial statements in the Debt Service Fund and in the government-wide financial statement for governmental activities. The balance due at December 31, 2018 was \$1,034,166.

### Loans Payable - EFC

The Town received a loan from the New York State Environmental Facilities Corporation ("NYSEFC") in the amount of \$1,500,000 in 2016, to finance improvements to its sewer infrastructure and infiltration systems. The interest free loan has a scheduled maturity of September 24, 2020. The amount of the Town's principal payments will be calculated by the NYSEFC using a factor of 2.00% multiplied by the amount drawn on the Recipient Notes through the period ending one year prior to the date the principal payment is due from the recipient. The balance due at December 31, 2018 was \$954,000.

### Payments to Maturity

The annual requirements to amortize all bonded and energy performance contract debt outstanding of the primary government as of December 31, 2018, including interest payments of \$21,841,157 are as follows:

Year Ended December 31,	Bonds				Energy Performance Contract		Totals	
	Governmental Activities		Business-type Activities		Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest				
2019	\$ 4,640,990	\$ 2,281,174	\$ 96,573	\$ 26,410	\$ 168,253	\$ 47,060	\$ 4,905,816	\$ 2,354,644
2020	4,236,597	2,151,943	98,403	24,039	176,551	38,763	4,511,551	2,214,745
2021	4,343,678	2,004,302	101,322	21,144	185,258	30,056	4,630,258	2,055,502
2022	4,340,599	1,854,122	104,401	18,160	194,394	20,919	4,639,394	1,893,201
2023	4,452,520	1,701,854	107,480	15,088	203,981	11,332	4,763,981	1,728,274
2024-2028	16,566,150	6,482,594	348,851	30,181	105,729	1,924	17,020,730	6,514,699
2029-2033	13,512,700	3,731,021	57,300	4,453	-	-	13,570,000	3,735,474
2034-2038	10,720,000	1,302,471	-	-	-	-	10,720,000	1,302,471
2039-2042	575,000	42,147	-	-	-	-	575,000	42,147
	<u>\$ 63,388,234</u>	<u>\$ 21,551,628</u>	<u>\$ 914,330</u>	<u>\$ 139,475</u>	<u>\$ 1,034,166</u>	<u>\$ 150,054</u>	<u>\$ 65,336,730</u>	<u>\$ 21,841,157</u>

The above general obligation bonds and energy performance contract debt are direct obligations of the Town for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Town.

**Note 3 - Detailed Notes on All Funds (Continued)**

**Prior Year Defeasance of Debt**

In prior years, the Town defeased certain bonds by placing the proceeds of new bonds or certain defined revenues in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At December 31, 2018, \$4,039,000 of bonds outstanding are considered defeased.

**Loans Payable - Other Funds**

The Blue Hill and Broadacres Golf Course enterprise funds have incurred deficits over the years. These deficits have been funded by cash from the General Fund. Since repayment is not expected for approximately thirty years, the amounts have been reclassified as loans receivable in the General Fund with the amount being offset with an allowance for uncollectable inter-fund loans. The corresponding loans payable reflected in the enterprise funds; Blue Hill and Broadacres Golf Course funds of \$2,834,934 and \$2,567,073, respectively, are interest free with a minimum payment of \$200,000 annually.

**Component Unit Debt - Revenue Bonds Payable**

Long-term indebtedness of the Housing Authority at December 31, 2018 consisted of the following:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2018
Revenue Bonds	2017	\$6,960,000	2042	2.0 to 4.0 %	<u>\$ 6,425,000</u>

The \$6,960,000 Senior Housing Facility Revenue Bonds, Series 2017, dated February 22, 2017 will have principal payments ranging from \$125,000 to \$485,000 with a due date of October 1, 2017 and April 1 thereafter. Interest will be due October 1, 2017 and April 1 and October 1 of each year thereafter until maturity. Interest rates range from 2% to 4%. Payment of the interest on the Bonds, according to the terms thereof and of the Resolution are guaranteed by the Town of Orangetown pursuant to a resolution of the Town Board adopted December 13, 2016.

The annual requirements to amortize the bonded debt outstanding of the Housing Authority as of December 31, 2018, including accreted interest is as follows:

Year Ended	Principal	Interest	Total
2019	\$ 350,000	\$ 196,038	\$ 546,038
2020	355,000	184,575	539,575
2021	380,000	171,712	551,712
2022	390,000	158,238	548,238
2023	405,000	146,856	551,856
2024-2028	2,180,000	559,400	2,739,400
2029-2033	1,055,000	230,950	1,285,950
2034-2038	690,000	121,500	811,500
2039-2042	620,000	31,375	651,375
	<u>\$ 6,425,000</u>	<u>\$ 1,800,644</u>	<u>\$ 8,225,644</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

**Compensated Absences**

The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. Vacation time earned by CSEA employees is paid out at separation. CSEA employees can also receive payment for any unused sick leave credits in excess of the hourly equivalent of 165 days up to 30 days. Vacation and sick time may be accumulated by Police Department employees. The value of this accumulated time is payable upon separation of service. The value of all compensated absences has been reflected in the government-wide financial statements.

**Pension Plans**

*New York State and Local Retirement System*

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2018 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I 41J	21.7 %
	2 75I 41J	19.7
	3 A14 41J	16.0
	4 A15 41J	16.0
	5 A15 41J	13.1
	6 A15 41J2	9.3

# Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

## Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
PFRS	1 384E 341J	30.3 %
	2 384E 341J	25.5
	6 375I 341J	9.0
	6 384E 341J	15.6
	6 384	11.4

At December 31, 2018, the Town reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2018	March 31, 2018
Net pension liability	\$ 1,779,937	\$ 3,272,771
Town's proportion of the net pension liability	0.0551500%	0.3237941%
Change in proportion since the prior measurement date	0.0009181%	0.0020027%

The net pension liability was measured as of March 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2018, the Town recognized pension expense in the government-wide financial statements of \$2,354,475 for ERS and \$2,987,840 for PFRS. Pension expenditures inclusive of retirement incentives and other pension obligations of \$2,556,536 for ERS and \$3,180,779 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 829,157	\$ -
Town Outside Villages - Police	168,736	3,180,779
Town Outside Villages - Other	164,047	-
Sewer	632,235	-
Highway - Part-Town	390,937	-
Highway - Townwide	354,635	-
Blue Hill Golf Course	11,992	-
Broadacres Golf Course	4,797	-
	<u>\$ 2,556,536</u>	<u>\$ 3,180,779</u>

# Town of Orangetown, New York

## Notes to Financial Statements (Continued)

December 31, 2018

### Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2018, the Town reported deferred outflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 634,846	\$ 524,613	\$ 1,347,040	\$ 869,650
Changes of assumptions	1,180,245	-	2,479,717	-
Net difference between projected and actual earnings on pension plan investments	2,585,217	5,102,959	2,648,924	5,334,790
Changes in proportion and differences between Town contributions and proportionate share of contributions	670,585	77,586	520,191	9,192
Town contributions subsequent to the measurement date	1,700,019	-	2,201,914	-
	<u>\$ 6,770,912</u>	<u>\$ 5,705,158</u>	<u>\$ 9,197,786</u>	<u>\$ 6,213,632</u>

\$1,700,019 and \$2,201,914 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2019	\$ 623,241	\$ 853,241
2020	454,078	778,433
2021	(1,184,402)	(593,638)
2022	(527,182)	(416,310)
2023	-	160,514

The total pension liability for the ERS and PFRS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Measurement date	March 31, 2018	March 31, 2018
Actuarial valuation date	April 1, 2017	April 1, 2017
Investment rate of return	7.0% *	7.0% *
Salary scale	3.8%	4.5%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

\*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

**Note 3 - Detailed Notes on All Funds (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 13,467,480</u>	<u>\$ 1,779,937</u>	<u>\$ (8,107,258)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 16,030,918</u>	<u>\$ 3,272,771</u>	<u>\$ (7,428,321)</u>



## Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

### **Note 3 - Detailed Notes on All Funds (Continued)**

The components of the collective net pension liability as of the March 31, 2018 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 183,400,590,000	\$ 32,914,423,000	\$ 216,315,013,000
Fiduciary net position	180,173,145,000	31,903,666,000	212,076,811,000
Employers' net pension liability	<u>\$ 3,227,445,000</u>	<u>\$ 1,010,757,000</u>	<u>\$ 4,238,202,000</u>
Fiduciary net position as a percentage of total pension liability	<u>98.24%</u>	<u>96.93%</u>	<u>98.04%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2018 represent the employer contribution for the period of April 1, 2018 through December 31, 2018 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2018 were \$1,700,019 and \$2,201,914, respectively.

#### *Voluntary Defined Contribution Plan*

The Town can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

### **Claims Payable**

The Internal Service Funds reflect workers' compensation and general liability claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR's). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

# Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

## **Note 3 - Detailed Notes on All Funds (Continued)**

An analysis of the activity of unpaid claim liabilities is as follows:

	2018		2017	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 1,809,528	\$ 398,025	\$ 1,684,239	\$ 352,066
Provision for Claims and Claims Adjustment Expenses	1,928,924	153,598	1,372,698	129,209
Claims and Claims Adjustment Expenses Paid	(1,396,374)	(145,908)	(1,247,409)	(83,250)
Balance - End of Year	<u>\$ 2,342,078</u>	<u>\$ 405,715</u>	<u>\$ 1,809,528</u>	<u>\$ 398,025</u>
Due Within One Year	<u>\$ 234,000</u>	<u>\$ 41,000</u>	<u>\$ 181,000</u>	<u>\$ 40,000</u>

## **Retirement Incentives and Other Pension Obligations**

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS and PFRS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The Town, during 2012, elected to amortize the maximum allowable ERS and PFRS contributions which aggregated \$975,957 and \$715,714, respectively. During 2013, the Town has elected to amortize the maximum allowable PFRS contributions, which aggregated \$1,094,061. During 2014, the Town has elected to amortize the maximum allowable ERS contributions, which aggregated \$1,083,009. During 2016, the Town has elected to amortize the maximum allowable PFRS contributions, which aggregated \$148,654. The current year cost inclusive of interest and balance due are noted in the table below.

	Original Amount Amortized	Current Year Principal Payments	Balance Due	Due Within One Year
2016 PFRS	\$ 148,654	\$ 13,684	\$ 121,597	\$ 14,003
2014 ERS	1,083,009	103,368	688,092	106,625
2013 PFRS	1,094,061	106,879	596,188	110,801
2012 ERS	975,957	98,693	425,281	101,654
2012 PFRS	<u>715,714</u>	<u>72,376</u>	<u>311,878</u>	<u>74,547</u>
	<u>\$ 4,017,395</u>	<u>\$ 395,000</u>	<u>\$ 2,143,036</u>	<u>\$ 407,630</u>

## Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

### **Note 3 - Detailed Notes on All Funds (Continued)**

The current year expenditures, including interest were charged to the funds identified below:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 79,730	\$ -
Town Outside Villages - Police	-	234,377
Town Outside Villages - Other	31,628	-
Sewer	60,766	-
Highway - Townwide	71,142	-
	<u>\$ 243,266</u>	<u>\$ 234,377</u>

### **Other Post Employment Benefit Obligations ("OPEB")**

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing post employment health care benefits is shared between the Town and the retired employee as noted below. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	219
Active employees	<u>230</u>
	<u>449</u>

The Town's total OPEB liability of \$130,158,516 was measured as of December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018.

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.0%, average, including inflation
Discount rate	3.71%
Healthcare cost trend rates	5.0% for 2019, decreasing 0.25% per year to 4.25% in 2022 fixed through 2055 and decreasing to an ultimate rate of 3.784% for 2075 and later years
Retirees' share of benefit-related costs	Varies from 4.465% to 100%, depending on applicable retirement year and bargaining unit

# Town of Orangetown, New York

## Notes to Financial Statements (Continued)

December 31, 2018

### Note 3 - Detailed Notes on All Funds (Continued)

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality rates were based on the sex-distinct RP-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2018 mortality improvement scale on a fully generational basis.

The actuarial assumptions used in the January 1, 2018 valuation for turnover and retirement for ERS and PFRS were based on the April 1, 2010 to March 31, 2015 experience study released by the Retirement Systems Actuary and published in their August 2015 report.

The Town's change in the total OPEB liability for the year ended December 31, 2018 is as follows:

	Governmental Activities	Business- type Activities	Total
Total OPEB Liability - Beginning of Year	\$ 141,138,792	\$ 1,039,896	\$ 142,178,688
Service cost	3,940,668	-	3,940,668
Interest	4,748,340	33,500	4,781,840
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(17,341,453)	(95,667)	(17,437,120)
Benefit payments	(3,249,999)	(55,561)	(3,305,560)
Total OPEB Liability - End of Year	<u>\$ 129,236,348</u>	<u>\$ 922,168</u>	<u>\$ 130,158,516</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.71%) or 1 percentage point higher (4.71%) than the current discount rate:

	1% Decrease (2.71%)	Current Assumption (3.71%)	1% Increase (4.71%)
Total OPEB Liability	<u>\$ 152,245,893</u>	<u>\$ 130,158,516</u>	<u>\$ 112,408,057</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.0% decreasing to 2.784%) or 1 percentage point higher (6.0% decreasing to 4.784%) than the current healthcare cost trend rates:

	1% Decrease (4.0% decreasing to 2.784%)	Healthcare Cost Trend Rates (5.0% decreasing to 3.784%)	1% Increase (6.0% decreasing to 4.784%)
Total OPEB Liability	<u>\$ 108,140,839</u>	<u>\$ 130,158,516</u>	<u>\$ 159,901,758</u>

**Town of Orangetown, New York**

Notes to Financial Statements (Continued)  
 December 31, 2018

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**Note 3 - Detailed Notes on All Funds (Continued)**

For the year ended December 31, 2018, the Town recognized OPEB expense of \$5,512,003 in the government-wide financial statements. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ -	\$ 14,226,615
Differences between expected and actual experience	-	-
	<u>\$ -</u>	<u>\$ 14,226,615</u>

Year Ended  
December 31,

2019	\$ (3,114,838)
2020	(3,110,504)
2021	(2,948,143)
2022	(2,552,675)
2023	(1,921,556)
Thereafter	(578,899)

**F. Significant Commitments - Encumbrances**

As discussed in Note 2A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2018, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 106,587
Town Outside Villages	88,180
Sewer	229,083
Highway	46,348
Pearl River Parking	<u>2,070</u>
Total	<u>\$ 472,268</u>

**G. Revenues and Expenditures****Interfund Transfers**

Interfund transfers are defined as the flow of assets such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers below have been reflected as transfers.

## Town of Orangetown, New York

Notes to Financial Statements (Continued)  
December 31, 2018

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### **Note 3 - Detailed Notes on All Funds (Continued)**

Transfers Out	Debt Service Fund	Capital Projects Fund	Blue Hill Golf Course Fund	Broadacres Golf Course Fund	Total
General Fund	\$ 3,586,497	\$ 6,550	\$ -	\$ 69,607	\$ 3,662,654
Highway Fund	-	121,624	-	-	121,624
Debt Service Fund	-	3,000	109,802	2,309,261	2,422,063
	<u>\$ 3,586,497</u>	<u>\$ 131,174</u>	<u>\$ 109,802</u>	<u>\$ 2,378,868</u>	<u>\$ 6,206,341</u>

Transfers are used to move amounts earmarked in the Debt Service Fund for bond principal and interest for the Blue Hill Golf Course and Broadacres Golf Course funds. Transfers are also used to move amounts earmarked in the operating funds to fulfill commitments for the Capital Projects Fund.

#### **H. Net Position**

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Law Enforcement* - the component of net position that has been established pursuant to State authorization for unexpended forfeitures of seized crime properties restricted to use for law enforcement purposes.

*Restricted for Debt Service* - the component of net position that reports the difference between certain assets and liabilities with constraints placed on their use by Local Finance Law.

*Restricted for Special Purposes* - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

# Town of Orangetown, New York

## Notes to Financial Statements (Continued) December 31, 2018

### Note 3 - Detailed Notes on All Funds (Continued)

#### I. Fund Balances

	2018								2017							
	General Fund	Town Outside Villages Fund	Sewer Fund	Highway Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Town Outside Villages Fund	Sewer Fund	Highway Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable -																
Prepaid expenditures	\$ 267,044	\$ 860,088	\$ 203,247	\$ 165,722	\$ -	\$ -	\$ 432	\$ 1,496,533	\$ 308,717	\$ 842,094	\$ 154,817	\$ 181,253	\$ -	\$ -	\$ -	\$ 1,486,881
Restricted:																
Capital projects	-	-	-	-	-	7,951,615	-	7,951,615	-	-	-	-	-	1,360,267	-	1,360,267
Law enforcement	236	105,168	-	-	-	105,404	-	105,404	45,229	115,193	-	-	-	-	-	160,422
Debt service	-	-	-	-	2,243,992	-	-	2,243,992	3,584,097	-	-	-	2,128,742	-	-	5,712,839
Parklands	-	-	-	-	-	-	274,223	-	-	-	-	-	-	-	310,270	310,270
Total Restricted	236	105,168	-	-	2,243,992	7,951,615	274,223	10,575,234	3,629,326	115,193	-	-	2,128,742	1,360,267	310,270	7,543,798
Committed -																
Capital improvements	-	-	-	-	-	66,889	-	66,889	-	-	-	-	-	66,889	-	66,889
Assigned:																
Purchases on order:																
General government support	72,591	-	-	-	-	-	-	72,591	37,443	-	-	-	-	-	-	37,443
Public safety	-	88,180	-	-	-	-	-	88,180	-	179,395	-	-	-	-	-	179,395
Transportation	7,107	-	-	46,348	-	-	2,070	55,525	-	-	-	196,732	-	-	5,478	202,210
Culture and recreation	26,890	-	-	-	-	-	-	26,890	49,274	-	-	-	-	-	-	49,274
Home and community services	-	-	229,083	-	-	-	-	229,083	-	-	527,416	-	-	-	-	527,416
Subsequent year's expenditures	106,588	88,180	229,083	46,348	-	-	2,070	472,269	86,717	179,395	527,416	196,732	-	-	5,478	995,738
Major Funds	1,000,000	500,000	200,000	200,000	-	-	-	1,900,000	700,000	500,000	200,000	-	-	-	-	1,400,000
Special Districts	-	2,996,749	145,801	1,936,280	-	-	-	5,078,830	-	1,494,092	1,016,672	1,481,777	-	-	-	3,992,541
Pearl River Parking	-	-	-	-	-	-	185,599	185,599	-	-	-	-	-	-	153,137	153,137
Total Assigned	1,106,588	3,584,929	574,884	2,182,628	-	-	448,655	7,897,684	786,717	2,173,487	1,744,088	1,678,509	-	-	402,030	6,784,831
Unassigned	6,217,846	-	-	-	-	-	-	6,217,846	7,256,929	-	-	-	-	-	-	7,256,929
Total Fund Balances	\$ 7,591,714	\$ 4,550,185	\$ 778,131	\$ 2,348,350	\$ 2,243,992	\$ 8,018,504	\$ 723,310	\$ 26,254,186	\$ 11,981,689	\$ 3,130,774	\$ 1,898,905	\$ 1,859,762	\$ 2,128,742	\$ 1,427,156	\$ 712,300	\$ 23,139,328

**Note 3 - Detailed Notes on All Funds (Continued)**

Certain elements of fund balance are described above. Those additional elements, which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Parklands have been established pursuant to Section 277 of Town Law. This amount represents funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. The amount is classified as restricted to indicate that the funds may only be used for recreation purposes.

Capital Improvements represents funds that the Town will use for various sidewalk and drainage improvements or earnings on the investment of capital project funds financed from other governmental funds. The amount is classified as committed to indicate that it required Board approval to establish and will also require Board approval to utilize.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at December 31, 2018, the Town Board has assigned the above amounts to be appropriated from the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

The Town and its officers and employees are defendants in a number of pending lawsuits. These lawsuits include claims for personal injury, property damage, and alleged employment and/or civil rights violations. The other major types of lawsuits against the Town are tax certiorari proceedings.

In most of the personal injury, employment, and civil rights cases that are pending against the Town, the issue of liability, in the Town's opinion (and/or that of outside counsel who handle the majority of the claims), is questionable, and the Town is taking a strong defense position. There are currently numerous pending claims against the Town. However, even if such claims were to be decided against the Town, the Town does not believe that the consequence, individually or in the aggregate, would be such as to have a material adverse effect on the Town's financial condition or its ability to pay the principal of, or interest on, any of its bonds or notes when they become due, taking into consideration that the Town currently carries liability insurance coverage up to \$10 million, which covers all liability and defense costs after a self-insured payment of the first \$75,000.



**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

The Town is also a defendant in numerous tax certiorari proceedings, the results of which generally require tax refunds on the part of the Town. Refunds of this nature are normally not made directly by the Town but rather by the County, with the refunds being added to the County tax warrant by the Town in the subsequent year. The amount of these possible refunds cannot be determined at the present time.

**B. Risk Management**

The Town's policies for general liability, law enforcement and auto liability have a self-insured retention level of \$75,000 per claim. Insurance coverage for these policies has been secured for losses in excess of the self-insured retention up to \$10 million per claim. In addition, there is a \$100,000 self-insured retention for property, contractors, equipment and auto physical damage per claim. Property insurance coverage has been secured for losses in excess of the self-insured retention up to \$104.6 million per claim. The Town's workers' compensation policy has a self-insured retention level of up to \$275,000 per claim. Insurance coverage has been secured for losses in excess of the self-insured retention. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The governmental funds are charged premiums by the respective Internal Service Fund. Accrued liabilities in the Internal Service funds include provisions for claims reported and claims incurred but not reported. In addition, the Town purchases conventional health insurance from various providers.

**C. Contingencies**

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

**Note 5 - Tax Abatements**

The Town has real property tax abatement agreements exempt under Real Property Tax Law and General Municipal Law. However, the total value of the tax abatement agreements for the year ended December 31, 2018 aggregated to less than \$60,000 and, therefore, detail information has been excluded from these financial statements.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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## Town of Orangetown, New York

### Required Supplementary Information - Schedule of Changes in the Town's Total OPEB Liability and Related Ratios Last Ten Fiscal Years (1) (2)

	<u>2018</u>
Total OPEB Liability:	
Service cost	\$ 3,940,668
Interest	4,781,840
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(17,437,120) (3)
Benefit payments	<u>(3,305,560)</u>
Net Change in Total OPEB Liability	(12,020,172)
Total OPEB Liability – Beginning of Year	<u>142,178,688</u> (4)
Total OPEB Liability – End of Year	<u>\$ 130,158,516</u>
Town's covered-employee payroll	<u>\$ 31,047,218</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>419.23%</u>

#### Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) The decrease is attributable to a revised mortality improvement scale from MP-2017 to MP-2018, revised healthcare trend rates and revised discount rate from 3.31% to 3.71%.

(4) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.

# Town of Orangetown, New York

## Required Supplementary Information - Schedule of the Town's Proportionate Share of the Net Pension Liability New York State and Local Employees' Retirement System Last Ten Fiscal Years (1)(2)

	2018	2017	2016 (2)	2015
Town's proportion of the net pension liability	<u>0.0551500%</u>	<u>0.0542319%</u>	<u>0.0567219%</u>	<u>0.0582857%</u>
Town's proportionate share of the net pension liability	<u>\$ 1,779,937</u>	<u>\$ 5,095,752</u>	<u>\$ 9,104,028</u>	<u>\$ 1,969,035</u>
Town's covered payroll	<u>\$ 15,173,635</u>	<u>\$ 16,097,394</u>	<u>\$ 15,599,291</u>	<u>\$ 15,388,795</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>11.73%</u>	<u>31.66%</u>	<u>58.36%</u>	<u>12.80%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

**Town of Orangetown, New York**

Required Supplementary Information - Schedule of Contributions  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,486,494	\$ 2,436,208	\$ 2,800,542	\$ 3,042,889
Contributions in relation to the contractually required contribution	<u>(2,486,494)</u>	<u>(2,436,208)</u>	<u>(2,800,542)</u>	<u>(3,042,889)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 16,248,820</u>	<u>\$ 15,584,866</u>	<u>\$ 15,517,885</u>	<u>\$ 15,965,844</u>
Contributions as a percentage of covered payroll	<u>15.30%</u>	<u>15.63%</u>	<u>18.05%</u>	<u>19.06%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

See independent auditors' report.

# Town of Orangetown, New York

## Required Supplementary Information - Schedule of the Town's Proportionate Share of the Net Pension Liability New York State and Local Police and Fire Retirement System Last Ten Fiscal Years (1)

	2018	2017	2016 (2)	2015
Town's proportion of the net pension liability	<u>0.3237941%</u>	<u>0.3217914%</u>	<u>0.3248813%</u>	<u>0.3140009%</u>
Town's proportionate share of the net pension liability	<u>\$ 3,272,771</u>	<u>\$ 6,669,615</u>	<u>\$ 9,619,044</u>	<u>\$ 864,317</u>
Town's covered payroll	<u>\$ 12,262,013</u>	<u>\$ 12,072,705</u>	<u>\$ 11,802,903</u>	<u>\$ 11,494,150</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>26.69%</u>	<u>55.25%</u>	<u>81.50%</u>	<u>7.52%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

Note - The amounts presented for each fiscal year were determined as of March 31st measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.



**Town of Orangetown, New York**

Required Supplementary Information - Schedule of Contributions  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,993,030	\$ 2,885,605	\$ 2,787,324	\$ 3,003,908
Contributions in relation to the contractually required contribution	<u>(2,993,030)</u>	<u>(2,885,605)</u>	<u>(2,787,324)</u>	<u>(3,003,908)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 13,981,493</u>	<u>\$ 11,514,055</u>	<u>\$ 11,720,338</u>	<u>\$ 11,920,178</u>
Contributions as a percentage of covered payroll	<u>21.41%</u>	<u>25.06%</u>	<u>23.78%</u>	<u>25.20%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

See independent auditors' report.

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## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL FUND**

- The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

### **SPECIAL REVENUE FUNDS**

- **Town Outside Villages Fund** - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town.
- **Sewer Fund** - The Sewer Fund is provided to account for the operation and maintenance of the Town's sewer facilities.
- **Highway Fund** - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.

### **DEBT SERVICE FUND**

- The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

### **CAPITAL PROJECTS FUND**

- The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

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**Town of Orangetown, New York**

General Fund  
Comparative Balance Sheet  
December 31,

	2018	2017
<b>ASSETS</b>		
Cash and equivalents	\$ 6,767,870	\$ 10,883,604
Receivables		
Accounts	421,211	344,056
Due from other governments	1,335,697	512,368
Due from other funds	-	3,090,244
Loans, net of allowance of \$5,402,007 in 2018 and \$5,602,007 in 2017	-	-
	1,756,908	3,946,668
Prepaid expenditures	267,044	308,717
Total Assets	\$ 8,791,822	\$ 15,138,989
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 425,050	\$ 729,427
Accrued liabilities	11,718	6,734
Due to other governments	751,211	702,356
Due to other funds	12,129	1,718,783
Total Liabilities	1,200,108	3,157,300
Fund balance		
Nonspendable	267,044	308,717
Restricted	236	3,629,326
Assigned	1,106,588	786,717
Unassigned	6,217,846	7,256,929
Total Fund Balance	7,591,714	11,981,689
Total Liabilities and Fund Balance	\$ 8,791,822	\$ 15,138,989

See independent auditors' report.

**Town of Orangetown, New York**

General Fund

Comparative Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 1,918,191	\$ 1,918,191	\$ 1,965,784	\$ 47,593
Other tax items	1,610,384	1,610,384	1,613,884	3,500
Non-property taxes	2,500,000	2,500,000	2,590,116	90,116
Departmental income	819,150	819,150	789,228	(29,922)
Use of money and property	186,500	186,500	229,165	42,665
Licenses and permits	90,500	384,627	406,164	21,537
Fines and forfeitures	400,000	400,000	460,384	60,384
Interfund revenues	3,456,263	3,456,263	3,456,264	1
State aid	1,690,000	1,690,000	1,896,256	206,256
Federal aid	-	-	35,000	35,000
Miscellaneous	779,757	779,757	270,020	(509,737)
Total Revenues	13,450,745	13,744,872	13,712,265	(32,607)
<b>EXPENDITURES</b>				
Current				
General government support	5,938,310	6,795,887	6,795,887	-
Public safety	208,273	245,026	245,026	-
Health	39,833	39,833	39,833	-
Transportation	495,281	497,374	497,374	-
Economic opportunity and development	194,500	189,893	189,893	-
Culture and recreation	2,570,917	2,609,415	2,609,415	-
Home and community services	155,429	160,324	160,324	-
Employee benefits	4,565,312	3,917,680	3,917,669	11
Total Expenditures	14,167,855	14,455,432	14,455,421	11
Excess (Deficiency) of Revenues Over Expenditures	(717,110)	(710,560)	(743,156)	(32,596)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real property	-	-	15,835	15,835
Transfers out	(69,607)	(3,662,654)	(3,662,654)	-
Total Other Financing Sources (Uses)	(69,607)	(3,662,654)	(3,646,819)	15,835
Net Change in Fund Balance	(786,717)	(4,373,214)	(4,389,975)	(16,761)
<b>FUND BALANCE</b>				
Beginning of Year	786,717	4,373,214	11,981,689	7,608,475
End of Year	\$ -	\$ -	\$ 7,591,714	\$ 7,591,714

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,160,679	\$ 3,160,679	\$ 3,173,431	\$ 12,752
2,001,591	2,001,591	2,009,154	7,563
2,475,000	2,475,000	2,603,135	128,135
999,150	999,150	782,694	(216,456)
186,200	186,200	199,825	13,625
241,050	241,050	110,703	(130,347)
375,000	375,000	496,948	121,948
3,217,162	3,217,162	3,217,162	-
1,690,000	1,690,000	2,173,222	483,222
150,000	275,000	127,000	(148,000)
737,797	737,797	264,282	(473,515)
15,233,629	15,358,629	15,157,556	(201,073)
7,153,542	8,081,278	7,998,061	83,217
205,080	291,383	283,973	7,410
35,183	39,833	39,833	-
504,290	475,439	450,532	24,907
188,500	188,500	185,378	3,122
2,700,277	2,505,695	2,447,622	58,073
157,429	141,273	139,860	1,413
4,216,114	3,722,224	3,722,224	-
15,160,415	15,445,625	15,267,483	178,142
73,214	(86,996)	(109,927)	(22,931)
-	-	7,500,000	7,500,000
(121,081)	(128,621)	(128,621)	-
(121,081)	(128,621)	7,371,379	7,500,000
(47,867)	(215,617)	7,261,452	7,477,069
47,867	215,617	4,720,237	4,504,620
\$ -	\$ -	\$ 11,981,689	\$ 11,981,689

**Town of Orangetown, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>REAL PROPERTY TAXES</b>	\$ 1,918,191	\$ 1,918,191	\$ 1,965,784	\$ 47,593	\$ 3,173,431
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	1,570,384	1,570,384	1,601,868	31,484	1,970,056
Interest and penalties on real property taxes	40,000	40,000	12,016	(27,984)	39,098
	1,610,384	1,610,384	1,613,884	3,500	2,009,154
<b>NON-PROPERTY TAXES</b>					
Franchise fees	750,000	750,000	786,493	36,493	807,538
Non-property tax distribution from County	1,750,000	1,750,000	1,803,623	53,623	1,795,597
	2,500,000	2,500,000	2,590,116	90,116	2,603,135
<b>DEPARTMENTAL INCOME</b>					
Town Clerk fees	12,000	12,000	16,906	4,906	16,788
Engineering fees	3,000	3,000	1,179	(1,821)	4,189
Tax Collector fees	200,000	200,000	196,914	(3,086)	190,115
Parks and recreation charges	604,000	604,000	574,179	(29,821)	571,582
Public safety fees	150	150	50	(100)	20
	819,150	819,150	789,228	(29,922)	782,694
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	1,500	1,500	23,054	21,554	2,441
Rental of real property	185,000	185,000	206,111	21,111	197,384
	186,500	186,500	229,165	42,665	199,825
<b>LICENSES AND PERMITS</b>					
Bingo licenses	2,500	2,500	2,649	149	2,717
Dog licenses	5,000	5,000	3,940	(1,060)	4,476
Permits	75,000	369,127	386,175	17,048	96,210
Sanitation licenses	8,000	8,000	13,400	5,400	7,300
	90,500	384,627	406,164	21,537	110,703



**FINES AND FORFEITURES**

Fines and forfeited bail	<u>400,000</u>	<u>400,000</u>	<u>460,384</u>	<u>60,384</u>	<u>496,948</u>
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**INTERFUND REVENUES**

	<u>3,456,263</u>	<u>3,456,263</u>	<u>3,456,264</u>	<u>1</u>	<u>3,217,162</u>
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**STATE AID**

Per capita	190,000	190,000	190,000	-	190,000
Mortgage tax	1,500,000	1,500,000	1,566,768	66,768	1,983,222
Other	-	-	139,488	139,488	-
	<u>1,690,000</u>	<u>1,690,000</u>	<u>1,896,256</u>	<u>206,256</u>	<u>2,173,222</u>

**FEDERAL AID**

Substance abuse education	-	-	35,000	35,000	127,000
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**MISCELLANEOUS**

Other - Enterprise Fund - Blue Hill Golf Course	759,757	759,757	200,000	(559,757)	250,000
Other	20,000	20,000	70,020	50,020	14,282
	<u>779,757</u>	<u>779,757</u>	<u>270,020</u>	<u>(509,737)</u>	<u>264,282</u>

**TOTAL REVENUES**

	13,450,745	13,744,872	13,712,265	(32,607)	15,157,556
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**OTHER FINANCING SOURCES**

Sale of real property	-	-	15,835	15,835	7,500,000
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**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

	<u>\$ 13,450,745</u>	<u>\$ 13,744,872</u>	<u>\$ 13,728,100</u>	<u>\$ (16,772)</u>	<u>\$ 22,657,556</u>
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See independent auditors' report.

**Town of Orangetown, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 109,845	\$ 110,191	\$ 110,191	\$ -	\$ 109,407
Town Justice	480,354	477,313	477,313	-	471,350
Supervisor	269,948	334,695	334,695	-	287,987
Finance	502,678	589,885	589,885	-	488,195
Independent audit	61,000	62,400	62,400	-	59,900
Receiver of Taxes	133,060	59,813	59,813	-	169,889
Assessor	544,986	597,698	597,698	-	584,000
Board of Assessment Review	-	9,025	9,025	-	6,525
Town Clerk	384,928	440,596	440,596	-	451,774
Town Attorney	702,773	722,414	722,414	-	715,402
Engineer	503,031	463,732	463,732	-	423,990
Buildings	632,448	716,187	716,187	-	607,493
Bond issuance costs	-	25,998	25,998	-	2,000
Central data processing	360,711	320,569	320,569	-	331,927
College chargebacks - County	230,000	514,000	514,000	-	465,145
Election chargebacks - County	200,000	173,858	173,858	-	200,001
Judgments and claims	138,852	138,852	138,852	-	1,459,703
Costs of disposition of property	-	-	-	-	390,780
Special items					
Unallocated insurance	229,320	241,820	241,820	-	191,100
Shared services	433,876	775,631	775,631	-	561,035
Municipal association dues	20,500	21,210	21,210	-	20,458
	<u>5,938,310</u>	<u>6,795,887</u>	<u>6,795,887</u>	<u>-</u>	<u>7,998,061</u>
<b>PUBLIC SAFETY</b>					
Traffic control	102,000	96,551	96,551	-	102,768
Control of animals	98,273	87,642	87,642	-	76,508
Homeland security	8,000	3,562	3,562	-	-
Substance abuse education	-	57,271	57,271	-	104,697
	<u>208,273</u>	<u>245,026</u>	<u>245,026</u>	<u>-</u>	<u>283,973</u>

**HEALTH**

Substance Abuse Council	39,833	39,833	39,833	-	39,833
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**TRANSPORTATION**

Superintendent of Highways	356,181	366,808	366,808	-	345,692
Highway garage	99,100	97,672	97,672	-	104,840
Sidewalks	40,000	32,894	32,894	-	-

	495,281	497,374	497,374	-	450,532
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**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Veterans' services	13,000	9,000	9,000	-	10,000
Senior citizens programs	181,500	180,893	180,893	-	175,378

	194,500	189,893	189,893	-	185,378
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**CULTURE AND RECREATION**

Recreation administration	420,030	453,131	453,131	-	421,671
Parks	916,484	1,008,065	1,008,065	-	967,560
Youth recreation	842,300	762,272	762,272	-	676,532
Special recreation facilities	116,000	105,537	105,537	-	100,423
Community based programs	2,725	3,326	3,326	-	457
Town Museum	140,278	120,908	120,908	-	129,216
Celebrations	69,600	100,456	100,456	-	87,628
Adult recreation	63,500	55,720	55,720	-	64,135

	2,570,917	2,609,415	2,609,415	-	2,447,622
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**HOME AND COMMUNITY SERVICES**

Sanitation	77,429	80,321	80,321	-	76,016
Contract with vendors - Orangetown Housing Authority	78,000	80,003	80,003	-	63,844
	155,429	160,324	160,324	-	139,860

(Continued)

**Town of Orangetown, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 839,042	\$ 829,157	\$ 829,157	\$ -	\$ 888,134
Social security	536,608	469,511	469,511	-	454,716
Hospitalization and dental insurance	2,602,225	2,036,714	2,036,714	-	1,885,889
Workers' compensation benefits	582,187	569,687	569,687	-	485,156
Unemployment benefits	5,250	12,611	12,600	11	8,329
	<u>4,565,312</u>	<u>3,917,680</u>	<u>3,917,669</u>	<u>11</u>	<u>3,722,224</u>
<b>TOTAL EXPENDITURES</b>	<u>14,167,855</u>	<u>14,455,432</u>	<u>14,455,421</u>	<u>11</u>	<u>15,267,483</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Debt Service Fund	-	3,586,497	3,586,497	-	-
Capital Projects Fund	-	6,550	6,550	-	7,540
Enterprise Fund					
Broadacres Golf Course	69,607	69,607	69,607	-	121,081
	<u>69,607</u>	<u>3,662,654</u>	<u>3,662,654</u>	<u>-</u>	<u>128,621</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 14,237,462</u>	<u>\$ 18,118,086</u>	<u>\$ 18,118,075</u>	<u>\$ 11</u>	<u>\$ 15,396,104</u>

**Town of Orangetown, New York**Town Outside Villages Fund  
Comparative Balance Sheet  
December 31,

	2018	2017
<b>ASSETS</b>		
Cash and equivalents	\$ 4,485,066	\$ 4,167,999
Receivables		
Accounts	60,341	158,267
State and Federal aid	11,363	-
Due from other governments	52,065	100,032
Due from other funds	-	40,674
	123,769	298,973
Prepaid expenditures	860,088	842,094
Total Assets	\$ 5,468,923	\$ 5,309,066
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 803,243	\$ 637,155
Accrued liabilities	115,495	1,052,660
Due to other funds	-	488,477
Total Liabilities	918,738	2,178,292
Fund balance		
Nonspendable	860,088	842,094
Restricted	105,168	115,193
Assigned	3,584,929	2,173,487
Total Fund Balance	4,550,185	3,130,774
Total Liabilities and Fund Balance	\$ 5,468,923	\$ 5,309,066

See independent auditors' report.

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# Town of Orangetown, New York

## Town Outside Villages Fund

### Combining Schedule of Revenues, Expenditures and

### Changes in Fund Balances - Sub-Funds

Year Ended December 31, 2018

(With Comparative Totals for 2017)

			Totals	
			2018	2017
<b>REVENUES</b>				
Real property taxes	\$ 24,549,120	\$ 1,819,805	\$ 26,368,925	\$ 25,397,270
Other tax items	112,973	28,243	141,216	107,908
Departmental income	459,016	3,438,475	3,897,491	2,352,223
Intergovernmental charges	91,126	106,161	197,287	116,976
Use of money and property	216,821	35,296	252,117	65,921
Sale of property and compensation for loss	-	-	-	3,635
Interfund revenues	131,614	-	131,614	-
State aid	149,613	75,710	225,323	136,032
Miscellaneous	96,402	-	96,402	217,228
Total Revenues	25,806,685	5,503,690	31,310,375	28,397,193
<b>EXPENDITURES</b>				
Current				
General government support	1,042,965	654,744	1,697,709	1,716,742
Public safety	15,456,420	1,263,137	16,719,557	16,068,829
Transportation	-	253,958	253,958	612,886
Home and community services	-	1,111,763	1,111,763	1,101,017
Employee benefits	9,394,824	713,153	10,107,977	9,590,134
Total Expenditures	25,894,209	3,996,755	29,890,964	29,089,608
Excess (Deficiency) of Revenues Over Expenditures	(87,524)	1,506,935	1,419,411	(692,415)
<b>FUND BALANCES</b>				
Beginning of Year	975,758	2,155,016	3,130,774	3,823,189
End of Year	\$ 888,234	\$ 3,661,951	\$ 4,550,185	\$ 3,130,774

See independent auditors' report.

**Town of Orangetown, New York**

Town Outside Villages Fund - Police  
 Comparative Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 24,549,115	\$ 24,549,115	\$ 24,549,120	\$ 5
Other tax items	70,000	70,000	112,973	42,973
Departmental income	150,000	150,000	459,016	309,016
Intergovernmental charges	11,000	11,000	91,126	80,126
Use of money and property	24,000	194,000	216,821	22,821
Sale of property and compensation for loss	-	-	-	-
Interfund revenues	-	-	131,614	131,614
State aid	22,000	22,000	149,613	127,613
Miscellaneous	19,000	19,000	96,402	77,402
Total Revenues	24,845,115	25,015,115	25,806,685	791,570
<b>EXPENDITURES</b>				
Current				
General government support	1,460,437	1,042,965	1,042,965	-
Public safety	14,149,589	15,675,293	15,456,420	218,873
Employee benefits	9,884,689	9,419,134	9,394,824	24,310
Total Expenditures	25,494,715	26,137,392	25,894,209	243,183
Deficiency of Revenues Over Expenditures	(649,600)	(1,122,277)	(87,524)	1,034,753
<b>FUND BALANCE</b>				
Beginning of Year	649,600	1,122,277	975,758	(146,519)
End of Year	\$ -	\$ -	\$ 888,234	\$ 888,234

See independent auditors' report.



2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 23,364,011	\$ 23,364,011	\$ 23,367,958	\$ 3,947
70,000	70,000	86,325	16,325
175,000	175,000	279,335	104,335
11,000	11,000	10,666	(334)
17,000	17,000	56,692	39,692
-	-	3,635	3,635
-	-	-	-
19,000	125,000	60,322	(64,678)
19,000	19,000	99,968	80,968
23,675,011	23,781,011	23,964,901	183,890
1,329,928	1,339,927	1,517,210	(177,283)
13,813,433	14,237,734	14,899,032	(661,298)
9,296,961	9,008,661	8,867,999	140,662
24,440,322	24,586,322	25,284,241	(697,919)
(765,311)	(805,311)	(1,319,340)	(514,029)
765,311	805,311	2,295,098	1,489,787
\$ -	\$ -	\$ 975,758	\$ 975,758

**Town of Orangetown, New York**

Town Outside Villages Fund - Police  
Schedule of Revenues Compared to Budget  
Year Ended December 31, 2018  
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>REAL PROPERTY TAXES</b>	\$ 24,549,115	\$ 24,549,115	\$ 24,549,120	\$ 5	\$ 23,367,958
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	70,000	70,000	112,973	42,973	86,325
<b>DEPARTMENTAL INCOME</b>					
Police fees	150,000	150,000	459,016	309,016	279,335
<b>INTERGOVERNMENTAL CHARGES</b>					
School resource officer	-	-	75,000	75,000	-
Gasoline for other governments	11,000	11,000	16,126	5,126	10,666
	11,000	11,000	91,126	80,126	10,666
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	24,000	194,000	216,821	22,821	56,692
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>					
Sale of equipment	-	-	-	-	3,635
<b>INTERFUND REVENUES</b>	-	-	131,614	131,614	-
<b>STATE AID</b>					
D.W.I. Program	12,000	12,000	8,768	(3,232)	19,242
Other	10,000	10,000	140,845	130,845	41,080
	22,000	22,000	149,613	127,613	60,322

**MISCELLANEOUS**

Gifts and donations	9,000	9,000	5,960	(3,040)	21,335
County grant - narcotics	<u>10,000</u>	<u>10,000</u>	<u>90,442</u>	<u>80,442</u>	<u>78,633</u>
	<u>19,000</u>	<u>19,000</u>	<u>96,402</u>	<u>77,402</u>	<u>99,968</u>
<b>TOTAL REVENUES</b>	<u><u>\$ 24,845,115</u></u>	<u><u>\$ 25,015,115</u></u>	<u><u>\$ 25,806,685</u></u>	<u><u>\$ 791,570</u></u>	<u><u>\$ 23,964,901</u></u>

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# Town of Orangetown, New York

Town Outside Villages Fund - Police  
Schedule of Expenditures Compared to Budget  
Year Ended December 31, 2018  
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Independent audit	\$ 23,500	\$ 23,500	\$ 23,500	\$ -	\$ 23,500
Unallocated insurance	204,750	217,250	217,250	-	349,071
Metropolitan commuter transportation mobility tax	45,000	51,695	51,695	-	43,887
Reimbursement to General Fund for services	1,187,187	750,520	750,520	-	1,100,752
	<u>1,460,437</u>	<u>1,042,965</u>	<u>1,042,965</u>	<u>-</u>	<u>1,517,210</u>
<b>PUBLIC SAFETY</b>					
Police	14,140,189	15,664,913	15,450,655	214,258	14,893,276
Auxiliary police	9,400	10,380	5,765	4,615	5,756
	<u>14,149,589</u>	<u>15,675,293</u>	<u>15,456,420</u>	<u>218,873</u>	<u>14,899,032</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement - Police	3,164,612	3,180,779	3,180,779	-	3,222,553
State retirement - Other	168,736	168,736	168,736	-	181,456
Social security	1,043,406	889,923	889,923	-	832,617
Life insurance	68,250	68,250	43,942	24,308	44,157
Hospitalization and dental insurance	4,712,723	4,388,322	4,388,320	2	3,978,184
Workers' compensation benefits	721,912	709,412	709,412	-	602,513
Unemployment benefits	5,050	13,712	13,712	-	6,519
	<u>9,884,689</u>	<u>9,419,134</u>	<u>9,394,824</u>	<u>24,310</u>	<u>8,867,999</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 25,494,715</u>	<u>\$ 26,137,392</u>	<u>\$ 25,894,209</u>	<u>\$ 243,183</u>	<u>\$ 25,284,241</u>

See independent auditors' report.

# Town of Orangetown, New York

## Town Outside Villages Fund - Other Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 1,819,271	\$ 1,819,271	\$ 1,819,805	\$ 534
Other tax items	17,000	17,000	28,243	11,243
Departmental income	1,645,000	1,950,981	3,438,475	1,487,494
Intergovernmental charges	100,000	100,000	106,161	6,161
Use of money and property	4,000	4,000	35,296	31,296
State aid	75,710	75,710	75,710	-
Miscellaneous	-	-	-	-
Total Revenues	<u>3,660,981</u>	<u>3,966,962</u>	<u>5,503,690</u>	<u>1,536,728</u>
<b>EXPENDITURES</b>				
Current				
General government support	217,656	654,744	654,744	-
Public safety	1,106,143	1,263,137	1,263,137	-
Transportation	400,000	253,959	253,958	1
Home and community services	1,128,810	1,111,764	1,111,763	1
Employee benefits	838,167	713,153	713,153	-
Total Expenditures	<u>3,690,776</u>	<u>3,996,757</u>	<u>3,996,755</u>	<u>2</u>
Excess (Deficiency) of Revenues Over Expenditures	(29,795)	(29,795)	1,506,935	1,536,730
<b>FUND BALANCE</b>				
Beginning of Year	<u>29,795</u>	<u>29,795</u>	<u>2,155,016</u>	<u>2,125,221</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,661,951</u>	<u>\$ 3,661,951</u>

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,029,076	\$ 2,029,076	\$ 2,029,312	\$ 236
17,000	17,000	21,583	4,583
1,520,000	1,520,000	2,072,888	552,888
100,000	100,000	106,310	6,310
2,500	2,500	9,229	6,729
75,710	75,710	75,710	-
-	-	117,260	117,260
3,744,286	3,744,286	4,432,292	688,006
198,109	199,532	199,532	-
1,074,838	1,169,799	1,169,797	2
550,000	612,886	612,886	-
1,138,344	1,101,018	1,101,017	1
783,317	722,135	722,135	-
3,744,608	3,805,370	3,805,367	3
(322)	(61,084)	626,925	688,009
322	61,084	1,528,091	1,467,007
\$ -	\$ -	\$ 2,155,016	\$ 2,155,016

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**Town of Orangetown, New York**

Town Outside Villages Fund - Other  
Schedule of Revenues Compared to Budget  
Year Ended December 31, 2018  
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>REAL PROPERTY TAXES</b>	<u>\$ 1,819,271</u>	<u>\$ 1,819,271</u>	<u>\$ 1,819,805</u>	<u>\$ 534</u>	<u>\$ 2,029,312</u>
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	<u>17,000</u>	<u>17,000</u>	<u>28,243</u>	<u>11,243</u>	<u>21,583</u>
<b>DEPARTMENTAL INCOME</b>					
Building permit fees	<u>1,495,000</u>	<u>1,800,981</u>	<u>3,282,480</u>	<u>1,481,499</u>	<u>1,826,788</u>
Zoning fees	<u>30,000</u>	<u>30,000</u>	<u>28,775</u>	<u>(1,225)</u>	<u>29,300</u>
Planning Board fees	<u>120,000</u>	<u>120,000</u>	<u>127,220</u>	<u>7,220</u>	<u>216,800</u>
	<u>1,645,000</u>	<u>1,950,981</u>	<u>3,438,475</u>	<u>1,487,494</u>	<u>2,072,888</u>
<b>INTERGOVERNMENTAL CHARGES</b>					
Recycling services for other governments	<u>100,000</u>	<u>100,000</u>	<u>106,161</u>	<u>6,161</u>	<u>106,310</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	<u>4,000</u>	<u>4,000</u>	<u>35,296</u>	<u>31,296</u>	<u>9,229</u>
<b>STATE AID</b>					
Per capita	<u>75,710</u>	<u>75,710</u>	<u>75,710</u>	<u>-</u>	<u>75,710</u>
<b>MISCELLANEOUS</b>					
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,260</u>
<b>TOTAL REVENUES</b>	<u><u>\$ 3,660,981</u></u>	<u><u>\$ 3,966,962</u></u>	<u><u>\$ 5,503,690</u></u>	<u><u>\$ 1,536,728</u></u>	<u><u>\$ 4,432,292</u></u>

See independent auditors' report.

# Town of Orangetown, New York

Town Outside Villages Fund - Other  
Schedule of Expenditures Compared to Budget  
Year Ended December 31, 2018  
(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Independent audit	\$ 3,000	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
Unallocated insurance	32,760	32,760	32,760	-	27,300
Metropolitan commuter transportation mobility tax	4,500	5,422	5,422	-	5,252
Reimbursement to General Fund for services	177,396	614,062	614,062	-	164,480
	217,656	654,744	654,744	-	199,532
<b>PUBLIC SAFETY</b>					
Safety inspection	1,106,143	1,263,137	1,263,137	-	1,169,797
<b>TRANSPORTATION</b>					
Street lighting	400,000	253,959	253,958	1	612,886
<b>HOME AND COMMUNITY SERVICES</b>					
Zoning board of appeals	147,692	151,768	151,768	-	145,178
Historic area board of review	12,129	12,130	12,130	-	12,130
Planning board	181,483	186,518	186,518	-	184,983
Architectural and community board of review	24,484	23,704	23,704	-	24,483
Refuse and garbage	753,522	734,973	734,972	1	730,303
Shade trees	9,500	2,671	2,671	-	3,940
	1,128,810	1,111,764	1,111,763	1	1,101,017

**EMPLOYEE BENEFITS**

State retirement	170,132	164,047	164,047	-	178,205
Social security	138,326	121,982	121,982	-	118,168
Hospitalization and dental insurance	506,422	403,824	403,824	-	406,356
Workers' compensation benefits	23,287	23,287	23,287	-	19,406
	<u>838,167</u>	<u>713,153</u>	<u>713,153</u>	<u>-</u>	<u>722,135</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 3,690,776</u></u>	<u><u>\$ 3,996,757</u></u>	<u><u>\$ 3,996,755</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 3,805,367</u></u>

See independent auditors' report.

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**Town of Orangetown, New York**

Sewer Fund  
Comparative Balance Sheet  
December 31,

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 925,090</u>	<u>\$ 3,221,573</u>
Receivables		
Accounts	280,321	119,779
State and Federal aid	101,898	81,388
Due from other governments	<u>18,063</u>	<u>-</u>
	<u>400,282</u>	<u>201,167</u>
Prepaid expenditures	<u>203,247</u>	<u>154,817</u>
Total Assets	<u><u>\$ 1,528,619</u></u>	<u><u>\$ 3,577,557</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 716,029	\$ 690,712
Accrued liabilities	27,691	17,478
Due to other funds	<u>6,768</u>	<u>970,462</u>
Total Liabilities	<u>750,488</u>	<u>1,678,652</u>
Fund Balance		
Nonspendable	203,247	154,817
Assigned	<u>574,884</u>	<u>1,744,088</u>
Total Fund Balance	<u>778,131</u>	<u>1,898,905</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,528,619</u></u>	<u><u>\$ 3,577,557</u></u>

See independent auditors' report.

**Town of Orangetown, New York**

**Sewer Fund**

**Comparative Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Years Ended December 31,**

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 6,632,294	\$ 6,632,294	\$ 6,636,390	\$ 4,096
Departmental income	850,000	850,000	552,993	(297,007)
Intergovernmental charges	1,000,000	1,017,470	1,175,972	158,502
Use of money and property	3,500	73,500	74,486	986
State aid	-	-	18,063	18,063
Miscellaneous	5,000	100,000	100,000	-
Total Revenues	8,490,794	8,673,264	8,557,904	(115,360)
<b>EXPENDITURES</b>				
Current				
General government support				
Independent audit	11,000	9,000	9,000	-
Unallocated insurance	114,660	122,160	122,160	-
Reimbursement to the General Fund for services	845,159	842,059	842,059	-
	970,819	973,219	973,219	-
Home and community services				
Sewer administration	644,410	678,123	678,123	-
Sewage collection and industrial pre-treatment	1,852,443	2,372,444	2,372,444	-
Sewage treatment and disposal	3,131,218	3,244,974	3,244,974	-
	5,628,071	6,295,541	6,295,541	-
Employee benefits				
State retirement	655,766	632,235	632,235	-
Social security	345,813	286,148	286,148	-
Hospitalization and dental insurance	1,338,291	1,219,587	1,219,585	2
Workers' compensation benefits	279,450	271,950	271,950	-
	2,619,320	2,409,920	2,409,918	2
Total Expenditures	9,218,210	9,678,680	9,678,678	2
Deficiency of Revenues Over Expenditures	(727,416)	(1,005,416)	(1,120,774)	(115,358)
<b>FUND BALANCE</b>				
Beginning of Year	727,416	1,005,416	1,898,905	893,489
End of Year	\$ -	\$ -	\$ 778,131	\$ 778,131

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,709,410	\$ 6,709,410	\$ 6,717,810	\$ 8,400
800,000	800,000	853,005	53,005
1,000,000	1,000,000	1,160,348	160,348
3,500	3,500	20,990	17,490
-	-	-	-
-	-	20,709	20,709
8,512,910	8,512,910	8,772,862	259,952
11,000	11,000	9,000	2,000
95,550	118,784	118,784	-
769,000	769,000	765,307	3,693
875,550	898,784	893,091	5,693
832,253	657,648	636,756	20,892
1,660,395	1,968,295	1,935,772	32,523
3,329,809	3,473,585	3,113,390	360,195
5,822,457	6,099,528	5,685,918	413,610
657,460	686,922	686,922	-
329,347	274,347	255,923	18,424
1,221,834	1,154,600	1,152,496	2,104
232,875	235,342	235,342	-
2,441,516	2,351,211	2,330,683	20,528
9,139,523	9,349,523	8,909,692	439,831
(626,613)	(836,613)	(136,830)	699,783
626,613	836,613	2,035,735	1,199,122
\$ -	\$ -	\$ 1,898,905	\$ 1,898,905

**Town of Orangetown, New York**

Highway Fund  
Comparative Balance Sheet  
December 31,

	2018	2017
<b>ASSETS</b>		
Cash and equivalents	\$ 2,295,138	\$ 2,438,641
Receivables		
Accounts	36,317	29,851
State and Federal aid	247,256	224,709
Due from other governments	10,028	25,138
Due from other funds	18,792	37,520
	312,393	317,218
Prepaid expenditures	165,722	181,253
Total Assets	\$ 2,773,253	\$ 2,937,112
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 299,866	\$ 392,527
Accrued liabilities	3,412	35,264
Due to other funds	121,625	649,559
Total Liabilities	424,903	1,077,350
Fund balance		
Nonspendable	165,722	181,253
Assigned	2,182,628	1,678,509
Total Fund Balance	2,348,350	1,859,762
Total Liabilities and Fund Balance	\$ 2,773,253	\$ 2,937,112

See independent auditors' report.



**Town of Orangetown, New York**

## Highway Fund

Combining Schedule of Revenues, Expenditures and Changes  
in Fund Balances - Sub-Funds

Year Ended December 31, 2018

(With Comparative Totals for 2017)

			Totals	
	Part-Town	Town-Wide	2018	2017
<b>REVENUES</b>				
Real property taxes	\$ 5,326,839	\$ 5,105,850	\$ 10,432,689	\$ 9,436,632
Intergovernmental charges	10,116	158,639	168,755	130,003
Use of money and property	58,804	48,112	106,916	26,942
Sale of property and compensation for loss	-	58,416	58,416	206,220
Interfund revenues	-	18,792	18,792	82,288
State aid	208,591	235,646	444,237	479,166
Miscellaneous	138,759	6,900	145,659	122,514
Total Revenues	<u>5,743,109</u>	<u>5,632,355</u>	<u>11,375,464</u>	<u>10,483,765</u>
<b>EXPENDITURES</b>				
Current				
General government support	663,261	544,484	1,207,745	1,132,383
Transportation	3,461,197	3,155,280	6,616,477	6,446,699
Employee benefits	<u>1,455,794</u>	<u>1,485,236</u>	<u>2,941,030</u>	<u>2,845,931</u>
Total Expenditures	<u>5,580,252</u>	<u>5,185,000</u>	<u>10,765,252</u>	<u>10,425,013</u>
Excess of Revenues Over Expenditures	162,857	447,355	610,212	58,752
<b>OTHER FINANCING USES</b>				
Transfers out	<u>-</u>	<u>(121,624)</u>	<u>(121,624)</u>	<u>(130,936)</u>
Net Change in Fund Balances	162,857	325,731	488,588	(72,184)
<b>FUND BALANCES</b>				
Beginning of Year	<u>660,979</u>	<u>1,198,783</u>	<u>1,859,762</u>	<u>1,931,946</u>
End of Year	<u>\$ 823,836</u>	<u>\$ 1,524,514</u>	<u>\$ 2,348,350</u>	<u>\$ 1,859,762</u>

See independent auditors' report.

# Town of Orangetown, New York

## Highway Fund - Part-Town Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 5,326,839	\$ 5,326,839	\$ 5,326,839	\$ -
Intergovernmental charges	15,000	15,000	10,116	(4,884)
Use of money and property	8,000	8,000	58,804	50,804
State aid	274,515	274,515	208,591	(65,924)
Miscellaneous	95,000	95,000	138,759	43,759
Total Revenues	5,719,354	5,719,354	5,743,109	23,755
<b>EXPENDITURES</b>				
Current				
General government support				
Unallocated insurance	85,176	88,926	88,926	-
Metropolitan commuter transportation mobility tax	7,106	10,130	10,130	-
Reimbursement to General Fund for services	564,205	564,205	564,205	-
	656,487	663,261	663,261	-
Transportation				
General repairs	3,045,344	3,769,763	3,408,546	361,217
Permanent improvements	274,515	283,340	52,651	230,689
	3,319,859	4,053,103	3,461,197	591,906
Employee benefits				
State retirement	405,460	405,460	390,937	14,523
Social security	262,343	262,343	217,435	44,908
Hospitalization and dental insurance	969,116	737,848	711,446	26,402
Workers' compensation benefits	139,726	135,976	135,976	-
	1,776,645	1,541,627	1,455,794	85,833
Total Expenditures	5,752,991	6,257,991	5,580,252	677,739
Excess (Deficiency) of Revenues Over Expenditures	(33,637)	(538,637)	162,857	701,494
<b>FUND BALANCE</b>				
Beginning of Year	33,637	538,637	660,979	122,342
End of Year	\$ -	\$ -	\$ 823,836	\$ 823,836

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,198,600	\$ 5,198,600	\$ 5,199,773	\$ 1,173
15,000	15,000	7,422	(7,578)
3,000	3,000	14,818	11,818
335,000	335,000	321,111	(13,889)
165,000	165,000	114,774	(50,226)
5,716,600	5,716,600	5,657,898	(58,702)
77,946	74,373	74,373	-
-	10,967	9,170	1,797
538,107	538,107	538,107	-
616,053	623,447	621,650	1,797
3,364,007	3,200,201	3,075,970	124,231
335,000	588,318	340,987	247,331
3,699,007	3,788,519	3,416,957	371,562
405,456	424,711	424,710	1
249,850	249,850	199,498	50,352
884,888	761,939	650,421	111,518
116,438	123,226	123,226	-
1,656,632	1,559,726	1,397,855	161,871
5,971,692	5,971,692	5,436,462	535,230
(255,092)	(255,092)	221,436	476,528
255,092	255,092	439,543	184,451
\$ -	\$ -	\$ 660,979	\$ 660,979

**Town of Orangetown, New York**

Highway Fund - Town-Wide  
Comparative Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 5,105,830	\$ 5,105,830	\$ 5,105,850	\$ 20
Intergovernmental charges	150,000	150,000	158,639	8,639
Use of money and property	7,500	7,500	48,112	40,612
Sale of property and compensation for loss	18,000	18,000	58,416	40,416
Interfund revenues	-	-	18,792	18,792
State aid	200,000	200,000	235,646	35,646
Miscellaneous	8,000	8,000	6,900	(1,100)
Total Revenues	5,489,330	5,489,330	5,632,355	143,025
<b>EXPENDITURES</b>				
Current				
General government support				
Unallocated insurance	72,072	75,822	75,822	-
Metropolitan commuter transportation mobility tax	5,138	7,040	7,040	-
Reimbursement to General Fund for services	461,622	461,622	461,622	-
	538,832	544,484	544,484	-
Transportation				
General repairs	4,000	4,000	-	4,000
Machinery	525,000	724,158	665,042	59,116
Brush and weeds	1,809,548	1,698,835	1,623,388	75,447
Snow removal	1,115,650	884,945	866,850	18,095
	3,454,198	3,311,938	3,155,280	156,658
Employee benefits				
State retirement	391,836	391,836	354,635	37,201
Social security	250,418	250,418	158,396	92,022
Unemployment benefits	20,200	20,200	8,484	11,716
Hospitalization and dental insurance	857,215	875,948	827,745	48,203
Workers' compensation benefits	139,726	135,976	135,976	-
	1,659,395	1,674,378	1,485,236	189,142
Total Expenditures	5,652,425	5,530,800	5,185,000	345,800
Excess (Deficiency) of Revenues Over Expenditures	(163,095)	(41,470)	447,355	488,825
<b>OTHER FINANCING USES</b>				
Transfers out	-	(121,625)	(121,624)	1
Net Change in Fund Balance	(163,095)	(163,095)	325,731	488,826
<b>FUND BALANCE</b>				
Beginning of Year	163,095	163,095	1,198,783	1,035,688
End of Year	\$ -	\$ -	\$ 1,524,514	\$ 1,524,514

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,236,859	\$ 4,236,859	\$ 4,236,859	\$ -
200,000	200,000	122,581	(77,419)
2,500	2,500	12,124	9,624
12,000	12,000	206,220	194,220
-	-	82,288	82,288
200,000	200,000	158,055	(41,945)
8,000	8,000	7,740	(260)
<u>4,659,359</u>	<u>4,659,359</u>	<u>4,825,867</u>	<u>166,508</u>
65,097	63,453	63,453	-
-	7,011	7,011	-
<u>440,269</u>	<u>440,269</u>	<u>440,269</u>	<u>-</u>
<u>505,366</u>	<u>510,733</u>	<u>510,733</u>	<u>-</u>
4,501	4,499	3,300	1,199
625,000	678,222	448,332	229,890
1,729,087	1,409,472	1,391,400	18,072
1,126,814	1,231,256	1,186,710	44,546
<u>3,485,402</u>	<u>3,323,449</u>	<u>3,029,742</u>	<u>293,707</u>
364,268	385,130	385,130	-
238,493	238,493	157,752	80,741
20,000	20,000	6,174	13,826
782,614	780,614	775,794	4,820
116,438	123,226	123,226	-
<u>1,521,813</u>	<u>1,547,463</u>	<u>1,448,076</u>	<u>99,387</u>
<u>5,512,581</u>	<u>5,381,645</u>	<u>4,988,551</u>	<u>393,094</u>
(853,222)	(722,286)	(162,684)	559,602
-	(130,936)	(130,936)	-
(853,222)	(853,222)	(293,620)	559,602
<u>853,222</u>	<u>853,222</u>	<u>1,492,403</u>	<u>639,181</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,198,783</u>	<u>\$ 1,198,783</u>

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**Town of Orangetown, New York**

Debt Service Fund  
Comparative Balance Sheet  
December 31,

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	2018	2017
<b>ASSETS</b>		
Cash and equivalents	\$ 2,233,691	\$ 803,438
Due from other funds	25,301	1,381,421
Total Assets	<u>\$ 2,258,992</u>	<u>\$ 2,184,859</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 15,000	\$ -
Due to other funds	-	56,117
Total Liabilities	15,000	56,117
Fund balance		
Restricted	2,243,992	2,128,742
Total Liabilities and Fund Balance	<u>\$ 2,258,992</u>	<u>\$ 2,184,859</u>

See independent auditors' report.

**Town of Orangetown, New York**

Debt Service Fund  
Comparative Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 6,123,654	\$ 6,123,654	\$ 6,123,654	\$ -
Use of money and property	12,000	12,000	90,150	78,150
Miscellaneous	-	-	15,331	15,331
Total Revenues	6,135,654	6,135,654	6,229,135	93,481
<b>EXPENDITURES</b>				
Current				
General government support	97,100	159,676	159,674	2
Debt service				
Principal				
Serial bonds	4,354,144	5,552,690	5,547,692	4,998
Loans - EFC	30,000	30,000	30,000	-
Energy performance contract	160,346	160,346	160,346	-
	4,544,490	5,743,036	5,738,038	4,998
Interest				
Serial bonds	1,439,097	1,342,409	1,325,640	16,769
Energy performance contract	54,967	54,967	54,967	-
	1,494,064	1,397,376	1,380,607	16,769
Total Expenditures	6,135,654	7,300,088	7,278,319	21,769
Deficiency of Revenues Over Expenditures	-	(1,164,434)	(1,049,184)	115,250
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	3,586,497	3,586,497	-
Transfers out	-	(2,422,063)	(2,422,063)	-
Total Other Financing Sources (Uses)	-	1,164,434	1,164,434	-
Net Change in Fund Balance	-	-	115,250	115,250
<b>FUND BALANCE</b>				
Beginning of Year	-	-	2,128,742	2,128,742
End of Year	\$ -	\$ -	\$ 2,243,992	\$ 2,243,992

See independent auditors' report.



2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,328,386 10,000 -	\$ 5,328,386 10,000 -	\$ 5,328,386 18,599 -	\$ - 8,599 -
5,338,386	5,338,386	5,346,985	8,599
101,351	101,351	101,349	2
4,090,024 16,000 152,809	4,090,024 16,000 152,809	4,090,024 16,000 152,809	-  -
4,258,833	4,258,833	4,258,833	-
1,423,470 62,504	1,423,470 62,504	1,430,129 62,504	(6,659) -
1,485,974	1,485,974	1,492,633	(6,659)
5,846,158	5,846,158	5,852,815	(6,657)
(507,772)	(507,772)	(505,830)	1,942
- (292,228)	- (292,228)	- (352,902)	- (60,674)
(292,228)	(292,228)	(352,902)	(60,674)
(800,000)	(800,000)	(858,732)	(58,732)
800,000	800,000	2,987,474	2,187,474
\$ -	\$ -	\$ 2,128,742	\$ 2,128,742

**Town of Orangetown, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 8,388,661</u>	<u>\$ 1,017,525</u>
Restricted cash	<u>91,740</u>	<u>91,740</u>
Receivables		
Accounts	9,370	-
State and Federal aid	767,499	1,232,182
Due from other funds	<u>121,730</u>	<u>540,174</u>
	<u>898,599</u>	<u>1,772,356</u>
Total Assets	<u><u>\$ 9,379,000</u></u>	<u><u>\$ 2,881,621</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 185,589	\$ 105,071
Due to other funds	174,907	349,394
Loan payable	<u>1,000,000</u>	<u>1,000,000</u>
Total Liabilities	<u>1,360,496</u>	<u>1,454,465</u>
Fund balance		
Restricted	7,951,615	1,360,267
Committed	<u>66,889</u>	<u>66,889</u>
Total Fund Balance	<u>8,018,504</u>	<u>1,427,156</u>
Total Liabilities and Fund Balance	<u><u>\$ 9,379,000</u></u>	<u><u>\$ 2,881,621</u></u>

See independent auditors' report.

**Town of Orangetown, New York**

## Capital Projects Fund

Comparative Statement of Revenues, Expenditures and Changes  
in Fund Balance

Years Ended December 31,

	2018	2017
<b>REVENUES</b>		
State aid	\$ 109,409	\$ 407,926
Federal aid	(39,158)	323,962
Miscellaneous	-	150,002
Total Revenues	70,251	881,890
<b>EXPENDITURES</b>		
Capital outlay	1,817,641	4,133,257
Deficiency of Revenues Over Expenditures	(1,747,390)	(3,251,367)
<b>OTHER FINANCING SOURCES</b>		
Bonds issued	8,207,564	-
Transfers in	131,174	199,150
Total Other Financing Sources	8,338,738	199,150
Net Change in Fund Balance	6,591,348	(3,052,217)
<b>FUND BALANCE</b>		
Beginning of Year	1,427,156	4,479,373
End of Year	\$ 8,018,504	\$ 1,427,156

See independent auditors' report.

**Town of Orangetown, New York**

Capital Projects Fund

Project-Length Schedule

Inception of Project Through December 31, 2018

Project	Project Budget	Expenditures and Transfers	Unexpended Balance
Sidewalks	\$ 1,941,500	\$ 1,934,088	\$ 7,412
Sludge Handling Facility	1,800,000	1,584,349	215,651
Oak Tree Road Sidewalk	225,000	134,326	90,674
Sparkill Creek Flood Mitigation	2,419,000	2,329,677	89,323
Pearl River Revitalization	267,000	263,156	3,844
Construction Equipment - 2014	1,735,000	1,735,000	-
Parks Garage	450,000	-	450,000
Various Building Renovations	50,000	43,615	6,385
Sewer Improvements	2,225,000	1,152,851	1,072,149
Pearl River Pedestrian Link	1,899,859	291,445	1,608,414
Sewer Improvements - Nyack Inflow and Infiltration	2,500,000	2,406,260	93,740
Greenbush Road Bicycle Bypass	125,000	36,720	88,280
Improvements to Various Parks and Recreation Areas	380,500	18,620	361,880
Purchase of Various Equipment	2,727,000	2,690,843	36,157
Green Innovation Grant Program	1,151,250	84,144	1,067,106
Cherry Brook Flood Mitigation	12,500	11,250	1,250
LED Street Lighting Conversion	2,309,779	366,456	1,943,323
RPC Site Improvements - Traffic Lights	150,000	18,196	131,804
2018 Purchase of Various Equipment and Building Maintenance Upgrade	545,564	159,025	386,539
2018 Town Hall Improvements	165,000	78,778	86,222
2018 Traffic Control	1,110,000	74,392	1,035,608
2018 Highway Road Resurfacing and Drainage Improvements	2,200,000	777,617	1,422,383
2018 Highway Heavy Equipment	1,800,000	-	1,800,000
2018 Parks Playground Improvements	60,000	-	60,000
2018 Improvement of the Facilities of the Sewer District	2,327,000	440,577	1,886,423
Route 303 Culvert Highway Repair and Improvement	848,000	29,244	818,756
Totals	<u>\$ 31,423,952</u>	<u>\$ 16,660,629</u>	<u>\$ 14,763,323</u>

Revenues and Other Financing Sources	Fund Balance (Deficit) at December 31, 2018	Loan Outstanding at December 31, 2018
\$ 1,934,088	\$ -	\$ -
1,706,911	122,562	-
134,326	-	-
2,329,677	-	-
263,391	235	-
1,735,000	-	-
450,000	450,000	-
50,000	6,385	-
2,225,000	1,072,149	-
290,973	(472)	-
1,500,000	(906,260)	1,000,000
36,720	-	-
380,500	361,880	-
2,727,000	36,157	-
84,144	-	-
11,250	-	-
366,456	-	-
150,000	131,804	-
545,564	386,539	-
165,000	86,222	-
1,110,000	1,035,608	-
2,200,000	1,422,383	-
1,800,000	1,800,000	-
60,000	60,000	-
2,327,000	1,886,423	-
29,244	-	-
<u>\$ 24,612,244</u>	<u>\$ 7,951,615</u>	<u>\$ 1,000,000</u>

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## **NON-MAJOR GOVERNMENTAL FUNDS**

**Special Districts Fund** - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, fire protection and ambulance districts.

**Pearl River Parking Fund** - The Pearl River Parking Fund is provided to account for the operation and maintenance of parking meters and parking lots in the Town.

**Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

**Town of Orangetown, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2018  
(With Comparative Totals for 2017)

---

	Special Districts	Pearl River Parking	Special Purpose
<b>ASSETS</b>			
Cash and equivalents	\$ 270,972	\$ 269,138	\$ 274,223
Receivables			
Accounts	-	9,536	-
Due from other funds	-	-	-
	-	9,536	-
Prepaid expenditures	-	432	-
Total Assets	<u>\$ 270,972</u>	<u>\$ 279,106</u>	<u>\$ 274,223</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 74,376	\$ 15,618	\$ -
Due to other governments	10,997	-	-
Total Liabilities	<u>85,373</u>	<u>15,618</u>	<u>-</u>
Fund balances			
Nonspendable	-	432	-
Restricted	-	-	274,223
Assigned	185,599	263,056	-
Total Fund Balances	<u>185,599</u>	<u>263,488</u>	<u>274,223</u>
Total Liabilities and Fund Balances	<u>\$ 270,972</u>	<u>\$ 279,106</u>	<u>\$ 274,223</u>

See independent auditors' report.



Total Non-Major Governmental Funds	
2018	2017
\$ 814,333	\$ 812,314
9,536	295
-	103
9,536	398
432	-
\$ 824,301	\$ 812,712
\$ 89,994	\$ 89,415
10,997	10,997
100,991	100,412
432	-
274,223	310,270
448,655	402,030
723,310	712,300
\$ 824,301	\$ 812,712

**Town of Orangetown, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2018  
(With Comparative Totals for 2017)

---

	Special Districts	Pearl River Parking	Special Purpose
<b>REVENUES</b>			
Real property taxes	\$ 1,985,408	\$ -	\$ -
Departmental income	-	103,133	-
Use of money and property	13,390	1,764	1,042
Miscellaneous	-	-	10,669
	<u>1,998,798</u>	<u>104,897</u>	<u>11,711</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current			
Public safety	634,987	-	-
Health	400,000	-	-
Transportation	-	90,302	-
Culture and recreation	-	-	47,758
Home and community services	931,349	-	-
	<u>1,966,336</u>	<u>90,302</u>	<u>47,758</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	32,462	14,595	(36,047)
<b>FUND BALANCES</b>			
Beginning of Year	<u>153,137</u>	<u>248,893</u>	<u>310,270</u>
End of Year	<u>\$ 185,599</u>	<u>\$ 263,488</u>	<u>\$ 274,223</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2018	2017
\$ 1,985,408	\$ 1,882,748
103,133	97,080
16,196	2,270
10,669	130,440
<u>2,115,406</u>	<u>2,112,538</u>
634,987	638,617
400,000	400,000
90,302	98,655
47,758	9,219
931,349	888,481
<u>2,104,396</u>	<u>2,034,972</u>
11,010	77,566
<u>712,300</u>	<u>634,734</u>
<u>\$ 723,310</u>	<u>\$ 712,300</u>

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**Town of Orangetown, New York**

Special Districts Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 270,972</u>	<u>\$ 239,666</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 74,376	\$ 75,532
Due to other governments	<u>10,997</u>	<u>10,997</u>
Total Liabilities	85,373	86,529
Fund balance		
Assigned	<u>185,599</u>	<u>153,137</u>
Total Liabilities and Fund Balance	<u>\$ 270,972</u>	<u>\$ 239,666</u>

See independent auditors' report.

**Town of Orangetown, New York**

Special Districts Fund  
Combining Schedule of Revenues, Expenditures and Changes  
in Fund Balances - Sub-Funds  
Year Ended December 31, 2018  
(With Comparative Totals for 2017)

	Water	Blauvelt Fire Protection	South Orangetown Ambulance
<b>REVENUES</b>			
Real property taxes	\$ 946,908	\$ 638,500	\$ 400,000
Use of money and property	13,390	-	-
Total Revenues	960,298	638,500	400,000
<b>EXPENDITURES</b>			
Current			
Public safety	-	634,987	-
Health	-	-	400,000
Home and community services	931,349	-	-
Total Expenditures	931,349	634,987	400,000
Excess (Deficiency) of Revenues Over Expenditures	28,949	3,513	-
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	45,436	108,041	(340)
End of Year	\$ 74,385	\$ 111,554	\$ (340)

See independent auditors' report.

Totals	
2018	2017
\$ 1,985,408	\$ 1,882,748
13,390	1,855
<u>1,998,798</u>	<u>1,884,603</u>
634,987	638,617
400,000	400,000
<u>931,349</u>	<u>888,481</u>
<u>1,966,336</u>	<u>1,927,098</u>
32,462	(42,495)
<u>153,137</u>	<u>195,632</u>
<u>\$ 185,599</u>	<u>\$ 153,137</u>

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**Town of Orangetown, New York**

Pearl River Parking Fund  
Comparative Balance Sheet  
December 31,

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 269,138</u>	<u>\$ 262,378</u>
Receivables		
Accounts	9,536	295
Due from other funds	<u>-</u>	<u>103</u>
	<u>9,536</u>	<u>398</u>
Prepaid expenditures	<u>432</u>	<u>-</u>
Total Assets	<u><u>\$ 279,106</u></u>	<u><u>\$ 262,776</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	<u>\$ 15,618</u>	<u>\$ 13,883</u>
Fund balance		
Nonspendable	432	-
Assigned	<u>263,056</u>	<u>248,893</u>
Total Fund Balance	<u>263,488</u>	<u>248,893</u>
Total Liabilities and Fund Balance	<u><u>\$ 279,106</u></u>	<u><u>\$ 262,776</u></u>

See independent auditors' report.

**Town of Orangetown, New York**

Pearl River Parking Fund  
Comparative Schedule of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

---

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 126,045	\$ 126,045	\$ 103,133	\$ (22,912)
Use of money and property	-	-	1,764	1,764
Total Revenues	126,045	126,045	104,897	(21,148)
<b>EXPENDITURES</b>				
Current				
Transportation	131,523	131,523	90,302	41,221
Excess (Deficiency) of Revenues Over Expenditures	(5,478)	(5,478)	14,595	20,073
<b>FUND BALANCE</b>				
Beginning of Year	5,478	5,478	248,893	243,415
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,488</u>	<u>\$ 263,488</u>

See independent auditors' report.

2017			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 136,983	\$ 136,983	\$ 97,080	\$ (39,903)
-	-	57	57
136,983	136,983	97,137	(39,846)
151,951	151,951	98,655	53,296
(14,968)	(14,968)	(1,518)	13,450
14,968	14,968	250,411	235,443
\$ -	\$ -	\$ 248,893	\$ 248,893

**Town of Orangetown, New York**

Special Purpose Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 274,223</u>	<u>\$ 310,270</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ 274,223</u>	<u>\$ 310,270</u>

See independent auditors' report.

**Town of Orangetown, New York**

Special Purpose Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

---

	<u>2018</u>	<u>2017</u>
<b>REVENUES</b>		
Use of money and property	\$ 1,042	\$ 358
Miscellaneous	<u>10,669</u>	<u>130,440</u>
Total Revenues	11,711	130,798
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>47,758</u>	<u>9,219</u>
Excess (Deficiency) of Revenues Over Expenditures	(36,047)	121,579
<b>FUND BALANCE</b>		
Beginning of Year	<u>310,270</u>	<u>188,691</u>
End of Year	<u>\$ 274,223</u>	<u>\$ 310,270</u>

See independent auditors' report.

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## **ENTERPRISE FUNDS**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. The operations of the Blue Hill Golf Course and the Broad Acres Golf Course are recorded as enterprise funds.

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**Town of Orangetown, New York**

Enterprise Fund - Blue Hill Golf Course  
 Comparative Statement of Net Position  
 December 31,

	2018	2017
<b>ASSETS</b>		
Current assets		
Cash and equivalents	\$ 380,021	\$ 1,068,235
Receivables		
Accounts	70,352	74,983
Due from other funds	337,893	1,054,822
	408,245	1,129,805
Total Current Assets	788,266	2,198,040
Noncurrent assets		
Capital assets		
Land	3,071,006	3,071,006
Buildings and improvements	835,062	835,062
Improvements other than buildings	6,390,378	6,390,378
Machinery and equipment	1,762,455	1,762,455
	12,058,901	12,058,901
Less - Accumulated depreciation	(7,521,578)	(7,301,730)
Total Noncurrent Assets	4,537,323	4,757,171
Total Assets	5,325,589	6,955,211
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	59,649	59,004
Accrued interest payable	7,870	7,423
Due to other governments	779	589
Due to other funds	394	1,755,582
Unearned revenues	40,764	36,664
Current maturities of bonds payable	96,573	85,196
Current maturities of loan payable	200,000	200,000
Total Current Liabilities	406,029	2,144,458
Noncurrent liabilities		
Bonds payable, less current maturities	817,757	764,330
Loan payable, less current maturities	2,634,934	2,834,934
Other post employment benefit obligations payable	601,641	654,975
Total Noncurrent Liabilities	4,054,332	4,254,239
Total Liabilities	4,460,361	6,398,697
<b>NET POSITION</b>		
Net investment in capital assets	3,622,993	3,907,645
Unrestricted	(2,757,765)	(3,351,131)
Total Net Position	\$ 865,228	\$ 556,514

See independent auditors' report.

**Town of Orangetown, New York**

Enterprise Fund - Blue Hill Golf Course  
Comparative Statement of Revenues, Expenses and  
Changes in Net Position  
Years Ended December 31,

	2018	2017
<b>OPERATING REVENUES</b>		
Greens fees	\$ 1,580,203	\$ 1,778,480
Cart rental	571,457	556,389
Facility rental	24,000	24,000
Permit cards	130,415	138,284
Other income	27,125	27,207
Total Operating Revenues	2,333,200	2,524,360
<b>OPERATING EXPENSES</b>		
Personal services	-	81,921
Rental of equipment	95,450	83,592
Repairs and maintenance	4,819	8,458
Utilities	5,015	5,358
Contractual and other	1,730,242	1,728,568
Employee benefits	116,163	155,783
Employee benefits - other postemployment benefits	(75,878)	30,669
Depreciation	219,848	226,044
Total Operating Expenses	2,095,659	2,320,393
Income from Operations	237,541	203,967
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	9,362	524
Interest expense	(25,447)	(26,700)
Total Non-Operating Expenses	(16,085)	(26,176)
Income Before Transfers	221,456	177,791
Transfers In	109,802	103,193
Change in Net Position	331,258	280,984
<b>NET POSITION</b>		
Beginning of Year, as reported	556,514	275,530
Cumulative Effect of Change in Accounting Principle	(22,544)	-
Beginning of Year, as restated	533,970	275,530
End of Year	\$ 865,228	\$ 556,514

See independent auditors' report.

# Town of Orangetown, New York

Enterprise Fund - Blue Hill Golf Course  
Comparative Statement of Cash Flows  
Years Ended December 31,

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services	\$ 2,341,931	\$ 2,530,634
Cash payments to vendors	(2,872,950)	(2,020,287)
Cash payments to employees	(116,163)	(237,704)
Net Cash from Operating Activities	(647,182)	272,643
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Repayment of loan from other funds	(200,000)	(250,000)
Transfers in	109,802	103,193
Net Cash from Non-Capital Financing Activities	(90,198)	(146,807)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal paid on bonds	(85,196)	(82,416)
Bonds issued	150,000	-
Interest paid on indebtedness	(25,000)	(27,417)
Acquisition and construction of capital assets	-	(5,551)
Net Cash from Capital and Related Financing Activities	39,804	(115,384)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	9,362	524
Net Change in Cash and Equivalents	(688,214)	10,976
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	1,068,235	1,057,259
End of Year	<u>\$ 380,021</u>	<u>\$ 1,068,235</u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income from operations	\$ 237,541	\$ 203,967
Adjustments to reconcile income from operations to net cash from operating activities		
Depreciation	219,848	226,044
Changes in assets and liabilities		
Accounts receivable	4,631	2,026
Due from other funds	716,929	(8,808)
Prepaid expenses	-	6,699
Accounts payable	645	(3,470)
Due to other governments	190	158
Due to other funds	(1,755,188)	(188,890)
Unearned revenues	4,100	4,248
Other post employment benefit obligations payable	(75,878)	30,669
Net Cash from Operating Activities	<u>\$ (647,182)</u>	<u>\$ 272,643</u>
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Amortization of bond premium	\$ -	\$ 9,029

**Town of Orangetown, New York**

Enterprise Fund - Broadacres Golf Course  
 Comparative Statement of Net Position  
 December 31,

	2018	2017
<b>ASSETS</b>		
Current assets		
Cash and equivalents	\$ 66,951	\$ 70,047
Due from other funds	-	63,993
Prepaid expenses	155	-
Total Current Assets	67,106	134,040
Noncurrent assets		
Capital assets		
Land	2,382,819	2,382,819
Buildings and improvements	352,216	352,216
Improvements other than buildings	334,721	334,721
Machinery and equipment	237,767	237,767
	3,307,523	3,307,523
Less - Accumulated depreciation	(539,590)	(511,375)
Total Noncurrent Assets	2,767,933	2,796,148
Total Assets	2,835,039	2,930,188
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amounts on refunding of bonds	-	120,426
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	19,423	4,545
Accrued interest payable	-	33,227
Due to other governments	60,673	60,704
Due to other funds	187,893	143,929
Current maturities of bonds payable	-	123,062
Total Current Liabilities	267,989	365,467
Noncurrent liabilities		
Bonds payable, less current maturities	-	2,168,056
Loan payable	2,567,073	2,567,073
Other post employment benefit obligations payable	320,527	11,423
Total Noncurrent Liabilities	2,887,600	4,746,552
Total Liabilities	3,155,589	5,112,019
<b>NET POSITION</b>		
Net investment in capital assets	2,767,933	625,456
Unrestricted	(3,088,483)	(2,686,861)
Total Net Position	\$ (320,550)	\$ (2,061,405)

See independent auditors' report.

# Town of Orangetown, New York

## Enterprise Fund - Broadacres Golf Course Comparative Statement of Revenues, Expenses and Changes in Net Position Years Ended December 31,

	2018	2017
<b>OPERATING REVENUES</b>		
Greens fees	\$ 402,356	\$ 475,101
Cart rental	94,596	104,973
Permit cards	-	2,700
Other income	-	75,000
Total Operating Revenues	496,952	657,774
<b>OPERATING EXPENSES</b>		
Rental of equipment	27,685	30,212
Repairs and maintenance	228	54
Utilities	12,534	17,602
Contractual and other	672,653	600,779
Employee benefits	28,704	26,897
Employee benefits - other postemployment benefits	(41,850)	5,322
Depreciation	28,215	20,912
Total Operating Expenses	728,169	701,778
Loss from Operations	(231,217)	(44,004)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	579	-
Interest expense	(56,421)	(70,214)
Total Non-Operating Expenses	(55,842)	(70,214)
Loss Before Transfers	(287,059)	(114,218)
Transfers In	2,378,868	310,116
Change in Net Position	2,091,809	195,898
<b>NET POSITION</b>		
Beginning of Year, as reported	(2,061,405)	(2,257,303)
Cumulative Effect of Change in Accounting Principle	(350,954)	-
Beginning of Year, as restated	(2,412,359)	(2,257,303)
End of Year	\$ (320,550)	\$ (2,061,405)

See independent auditors' report.

# Town of Orangetown, New York

Enterprise Fund - Broadacres Golf Course  
Comparative Statement of Cash Flows  
Years Ended December 31,

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services	\$ 496,952	\$ 660,821
Cash payments to vendors	(590,296)	(646,050)
Cash payments to employees	(28,859)	(26,897)
Net Cash from Operating Activities	(122,203)	(12,126)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Transfers in	2,378,868	310,116
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal paid on bonds	(2,227,114)	(120,060)
Interest paid on indebtedness	(33,226)	(68,975)
Acquisition and construction of capital assets	-	(129,857)
Net Cash from Capital and Related Financing Activities	(2,260,340)	(318,892)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	579	-
Net Change in Cash and Equivalents	(3,096)	(20,902)
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	70,047	90,949
End of Year	\$ 66,951	\$ 70,047
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Loss from operations	\$ (231,217)	\$ (44,004)
Adjustments to reconcile loss from operations to net cash from operating activities		
Depreciation	28,215	20,912
Changes in assets and liabilities		
Accounts receivable	-	3,047
Due from other funds	63,993	-
Prepaid expenses	(155)	-
Accounts payable	14,878	(66,852)
Due to other governments	(31)	60,641
Due to other funds	43,964	8,808
Other post employment benefit obligations payable	(41,850)	5,322
Net Cash from Operating Activities	\$ (122,203)	\$ (12,126)
<b>NON-CASH NON-OPERATING ACTIVITIES</b>		
Amortization of bond premium	\$ (64,004)	\$ (4,267)
Amortization of deferred loss on bond	120,424	8,027

## **INTERNAL SERVICE FUNDS**

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town has established its Workers' Compensation Benefits and Risk Retention funds as internal service funds.

**Town of Orangetown, New York**

Internal Service Funds  
Combining Statement of Net Position  
December 31, 2018  
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	Risk Retention	Totals	
			2018	2017
<b>ASSETS</b>				
Cash and equivalents	\$ 215,409	\$ 25,795	\$ 241,204	\$ 96,644
Due from other funds	86,354	-	86,354	9,809
Prepaid expenses	120,225	127,309	247,534	226,793
Total Assets	421,988	153,104	575,092	333,246
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	22,195	30,000	52,195	25,789
Due to other funds	-	86,354	86,354	86,457
Current portion of claims payable	234,000	41,000	275,000	221,000
Total Current Liabilities	256,195	157,354	413,549	333,246
Noncurrent liabilities				
Claims payable, less current portion	2,108,078	364,715	2,472,793	1,986,553
Total Liabilities	2,364,273	522,069	2,886,342	2,319,799
<b>NET POSITION</b>				
Unrestricted	\$ (1,942,285)	\$ (368,965)	\$ (2,311,250)	\$ (1,986,553)

See independent auditors' report.



# Town of Orangetown, New York

Internal Service Funds  
Combining Statement of Revenues, Expenses and  
Changes in Net Position  
Year Ended December 31, 2018  
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	Risk Retention	Totals	
			2018	2017
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,846,288	\$ 778,738	\$ 2,625,026	\$ 2,457,414
Insurance recoveries	484,915	12,316	497,231	303,047
Total Operating Revenues	2,331,203	791,054	3,122,257	2,760,461
<b>OPERATING EXPENSES</b>				
Insurance	716,236	602,238	1,318,474	1,234,991
Contractual and other	-	46,158	46,158	59,372
Employee benefits	1,928,924	-	1,928,924	1,372,698
Judgments and claims	-	153,598	153,598	129,209
Total Operating Expenses	2,645,160	801,994	3,447,154	2,796,270
Loss from Operations	(313,957)	(10,940)	(324,897)	(35,809)
<b>NON-OPERATING REVENUES</b>				
Interest income	200	-	200	147
Change in Net Position	(313,757)	(10,940)	(324,697)	(35,662)
<b>NET POSITION</b>				
Beginning of Year	(1,628,528)	(358,025)	(1,986,553)	(1,950,891)
End of Year	\$ (1,942,285)	\$ (368,965)	\$ (2,311,250)	\$ (1,986,553)

See independent auditors' report.

**Town of Orangetown, New York**

Internal Service Funds  
Combining Statement of Cash Flows  
Year Ended December 31, 2018  
(With Comparative Totals for 2017)

	Workers' Compensation Benefits	Risk Retention
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from interfund services provided	\$ 1,769,743	\$ 778,635
Cash received from insurance recoveries	484,915	12,316
Cash payments to insurance carriers and claimants	(2,132,107)	(769,142)
Net Cash from Operating Activities	122,551	21,809
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	200	-
Net Change in Cash and Equivalents	122,751	21,809
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	92,658	3,986
End of Year	\$ 215,409	\$ 25,795
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Loss from operations	\$ (313,957)	\$ (10,940)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	(76,545)	-
Prepaid expenses	(22,080)	1,339
Accounts payable	2,583	23,823
Due to other funds	-	(103)
Claims payable	532,550	7,690
Net Cash from Operating Activities	\$ 122,551	\$ 21,809

See independent auditors' report.

Totals	
2018	2017
\$ 2,548,378	\$ 3,333,068
497,231	303,047
<u>(2,901,249)</u>	<u>(3,571,933)</u>
144,360	64,182
200	147
144,560	64,329
96,644	32,315
<u>\$ 241,204</u>	<u>\$ 96,644</u>
\$ (324,897)	\$ (35,809)
(76,545)	882,807
(20,741)	(14,944)
26,406	(389,890)
(103)	(549,230)
<u>540,240</u>	<u>171,248</u>
<u>\$ 144,360</u>	<u>\$ 64,182</u>

**Town of Orangetown, New York****Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Net Position  
December 31,**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 215,409	\$ 92,658
Due from other funds	86,354	9,809
Prepaid expenses	<u>120,225</u>	<u>98,145</u>
Total Assets	<u>421,988</u>	<u>200,612</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	22,195	19,612
Current portion of claims payable	<u>234,000</u>	<u>181,000</u>
Total Current Liabilities	256,195	200,612
Noncurrent liabilities		
Claims payable, less current portion	<u>2,108,078</u>	<u>1,628,528</u>
Total Liabilities	<u>2,364,273</u>	<u>1,829,140</u>
<b>NET POSITION</b>		
Unrestricted	<u>\$ (1,942,285)</u>	<u>\$ (1,628,528)</u>

See independent auditors' report.

**Town of Orangetown, New York**

Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Revenues, Expenses and Changes  
in Net Position  
Years Ended December 31,

	2018	2017
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,846,288	\$ 1,588,869
Insurance recoveries	484,915	281,873
Total Operating Revenues	2,331,203	1,870,742
<b>OPERATING EXPENSES</b>		
Insurance	716,236	610,480
Employee benefits	1,928,924	1,372,698
Total Operating Expenses	2,645,160	1,983,178
Loss from Operations	(313,957)	(112,436)
<b>NON-OPERATING REVENUES</b>		
Interest income	200	147
Change in Net Position	(313,757)	(112,289)
<b>NET POSITION</b>		
Beginning of Year	(1,628,528)	(1,516,239)
End of Year	<u>\$ (1,942,285)</u>	<u>\$ (1,628,528)</u>

See independent auditors' report.

**Town of Orangetown, New York**

Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Cash Flows  
Years Ended December 31,

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from interfund services provided	\$ 1,769,743	\$ 2,464,523
Cash received from insurance recoveries	484,915	281,873
Cash payments to insurance carriers and claimants	(2,132,107)	(2,669,238)
Net Cash from Operating Activities	122,551	77,158
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	200	147
Net Change in Cash and Equivalents	122,751	77,305
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	92,658	15,353
End of Year	\$ 215,409	\$ 92,658
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Loss from operations	\$ (313,957)	\$ (112,436)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	(76,545)	882,807
Prepaid expenses	(22,080)	(7,871)
Accounts payable	2,583	(387,759)
Due to other funds	-	(422,872)
Claims payable	532,550	125,289
Net Cash from Operating Activities	\$ 122,551	\$ 77,158

**Town of Orangetown, New York**

Internal Service Fund - Risk Retention Fund  
Comparative Statement of Net Position  
December 31,

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 25,795	\$ 3,986
Prepaid expenses	<u>127,309</u>	<u>128,648</u>
Total Assets	<u>153,104</u>	<u>132,634</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	30,000	6,177
Due to other funds	86,354	86,457
Current portion of claims payable	<u>41,000</u>	<u>40,000</u>
Total Current Liabilities	157,354	132,634
Noncurrent liabilities		
Claims payable, less current portion	<u>364,715</u>	<u>358,025</u>
Total Liabilities	<u>522,069</u>	<u>490,659</u>
<b>NET POSITION</b>		
Unrestricted	<u>\$ (368,965)</u>	<u>\$ (358,025)</u>

See independent auditors' report.

**Town of Orangetown, New York**

Internal Service Fund - Risk Retention Fund  
Comparative Statement of Revenues, Expenses and Changes  
in Net Position  
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 778,738	\$ 868,545
Insurance recoveries	<u>12,316</u>	<u>21,174</u>
Total Operating Revenues	<u>791,054</u>	<u>889,719</u>
<b>OPERATING EXPENSES</b>		
Insurance	602,238	624,511
Contractual and other	46,158	59,372
Judgments and claims	<u>153,598</u>	<u>129,209</u>
Total Operating Expenses	<u>801,994</u>	<u>813,092</u>
Income (Loss) from Operations	(10,940)	76,627
<b>NET POSITION</b>		
Beginning of Year	<u>(358,025)</u>	<u>(434,652)</u>
End of Year	<u><u>\$ (368,965)</u></u>	<u><u>\$ (358,025)</u></u>

See independent auditors' report.



**Town of Orangetown, New York**

Internal Service Fund - Risk Retention Fund  
Comparative Statement of Cash Flows  
Years Ended December 31,

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from interfund services provided	\$ 778,635	\$ 868,545
Cash received from insurance recoveries	12,316	21,174
Cash payments to insurance carriers and claimants	(769,142)	(902,695)
Net Cash from Operating Activities	21,809	(12,976)
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	3,986	16,962
End of Year	\$ 25,795	\$ 3,986
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ (10,940)	\$ 76,627
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Prepaid expenses	1,339	(7,073)
Accounts payable	23,823	(2,131)
Due to other funds	(103)	(126,358)
Claims payable	7,690	45,959
Net Cash from Operating Activities	\$ 21,809	\$ (12,976)

See independent auditors' report.

**Town of Orangetown, New York****Fiduciary Fund - Agency Fund  
Statement of Changes in Assets and Liabilities  
Year Ended December 31, 2018**

	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018
<b>ASSETS</b>				
Cash and equivalents	\$ 833,557	\$ 89,470,516	\$ 88,732,552	\$ 1,571,521
Accounts receivable	226,510	41,708,336	41,934,846	-
Total Assets	<u>\$ 1,060,067</u>	<u>\$ 131,178,852</u>	<u>\$ 130,667,398</u>	<u>\$ 1,571,521</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 25,495	\$ -	\$ 25,495
Deposits	1,060,067	1,377,288	891,329	1,546,026
Total Liabilities	<u>\$ 1,060,067</u>	<u>\$ 1,402,783</u>	<u>\$ 891,329</u>	<u>\$ 1,571,521</u>

See independent auditors' report.

**STATISTICAL  
SECTION**

(Unaudited)

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## **Financial Trends**

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

**Town of Orangetown, New York**

**Net Position By Component  
Last Ten Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 69,576,680	\$ 71,245,807	\$ 72,654,445	\$ 70,813,433
Restricted	7,231,151	5,604,697	4,187,483	3,696,296
Unrestricted	<u>(2,598,768)</u>	<u>(7,030,464)</u>	<u>(16,172,590)</u>	<u>(22,986,283)</u>
Total Governmental Activities				
Net Position	<u>\$ 74,209,063</u>	<u>\$ 69,820,040</u>	<u>\$ 60,669,338</u>	<u>\$ 51,523,446</u>
Business - Type Activities				
Net Investment in Capital Assets	\$ 3,589,772	\$ 3,787,344	\$ 4,099,190	\$ 4,232,532
Unrestricted	<u>(3,564,447)</u>	<u>(4,376,149)</u>	<u>(5,588,808)</u>	<u>(6,182,801)</u>
Total Business - Type Activities				
Net Position	<u>\$ 25,325</u>	<u>\$ (588,805)</u>	<u>\$ (1,489,618)</u>	<u>\$ (1,950,269)</u>
Primary Government				
Net Investment in Capital Assets	\$ 73,166,452	\$ 75,033,151	\$ 76,753,635	\$ 75,045,965
Restricted	7,231,151	5,604,697	4,187,483	3,696,296
Unrestricted	<u>(6,163,215)</u>	<u>(11,406,613)</u>	<u>(21,761,398)</u>	<u>(29,169,084)</u>
Total Primary Government				
Net Position	<u>\$ 74,234,388</u>	<u>\$ 69,231,235</u>	<u>\$ 59,179,720</u>	<u>\$ 49,573,177</u>

2013	2014	2015	2016	2017	2018
\$ 66,241,222	\$ 65,396,541	\$ 67,568,442	\$ 68,052,301	\$ 67,679,319	\$ 70,408,798
3,525,095	4,085,494	4,441,363	3,832,446	6,585,561	2,623,619
(26,767,276)	(35,345,648)	(45,116,390)	(55,801,196)	(62,258,332)	(137,572,065)
<u>\$ 42,999,041</u>	<u>\$ 34,136,387</u>	<u>\$ 26,893,415</u>	<u>\$ 16,083,551</u>	<u>\$ 12,006,548</u>	<u>\$ (64,539,648)</u>
\$ 4,362,943	\$ 4,544,117	\$ 4,517,394	\$ 4,445,933	\$ 4,533,101	\$ 6,390,926
(7,054,290)	(7,548,874)	(6,689,020)	(6,427,706)	(6,037,992)	(5,846,248)
<u>\$ (2,691,347)</u>	<u>\$ (3,004,757)</u>	<u>\$ (2,171,626)</u>	<u>\$ (1,981,773)</u>	<u>\$ (1,504,891)</u>	<u>\$ 544,678</u>
\$ 70,604,165	\$ 69,940,658	\$ 72,085,836	\$ 72,498,234	\$ 72,212,420	\$ 76,799,724
3,525,095	4,085,494	4,441,363	3,832,446	6,585,561	2,623,619
(33,821,566)	(42,894,522)	(51,805,410)	(62,228,902)	(68,296,324)	(143,418,313)
<u>\$ 40,307,694</u>	<u>\$ 31,131,630</u>	<u>\$ 24,721,789</u>	<u>\$ 14,101,778</u>	<u>\$ 10,501,657</u>	<u>\$ (63,994,970)</u>

# Town of Orangetown, New York

## Changes In Net Position Last Ten Fiscal Years

	2009	2010	2011	2012
Expenses				
Governmental Activities				
General government support	\$ 8,007,220	\$ 9,776,429	\$ 8,121,893	\$ 8,640,385
Public safety	22,861,695	25,389,618	26,235,249	27,670,798
Health	450,800	463,180	467,140	466,701
Transportation	11,898,894	12,302,982	13,722,291	13,261,030
Economic opportunity and development	136,075	144,557	152,737	185,395
Culture and recreation	3,009,313	3,406,031	4,089,519	3,926,405
Home and community services	11,185,481	11,602,897	13,546,983	12,295,553
Interest	1,706,901	1,684,758	1,682,937	1,654,882
Total Governmental Activities Expenses	59,256,379	64,770,452	68,018,749	68,101,149
Business-type Activities				
Blue Hill Golf Course	3,065,960	3,155,533	3,267,030	3,169,614
Broadacres Golf Course	1,027,888	1,054,166	1,094,235	992,100
Total Business-type Activities Expenses	4,093,848	4,209,699	4,361,265	4,161,714
Total Primary Government Expenses	\$ 63,350,227	\$ 68,980,151	\$ 72,380,014	\$ 72,262,863
Program Revenues				
Governmental Activities				
Charges for Services				
General government support	\$ 439,465	\$ 717,052	\$ 512,738	\$ 725,114
Public safety	1,187,928	1,490,618	1,258,584	1,805,920
Transportation	185,484	262,730	231,662	179,144
Culture and recreation	613,925	630,457	695,302	672,524
Home and community services	2,103,784	1,952,257	2,293,031	2,313,711
Operating Grants and Contributions	1,964,155	1,313,413	1,508,264	2,583,848
Capital Grants and Contributions	670,775	3,547,747	543,710	638,412
Total Governmental Activities Program Revenues	7,165,516	9,914,274	7,043,291	8,918,673
Business-type Activities				
Charges for Services				
Blue Hill Golf Course	2,688,905	2,743,860	2,595,055	2,804,005
Broad Acres Golf Course	636,414	648,199	560,820	593,818
Total Business-type Activities Program Revenues	3,325,319	3,392,059	3,155,875	3,397,823
Total Primary Government Program Revenues	\$ 10,490,835	\$ 13,306,333	\$ 10,199,166	\$ 12,316,496



2013	2014	2015	2016	2017	2018
\$ 8,220,693	\$ 8,536,271	\$ 13,582,463	\$ 10,030,147	\$ 12,193,574	\$ 11,175,604
28,940,830	28,916,027	28,619,104	30,689,796	30,636,957	29,287,903
435,183	435,183	435,183	439,833	439,833	439,833
13,194,346	13,907,782	14,712,043	14,557,980	14,715,392	13,364,663
204,153	195,033	181,324	185,288	185,378	189,893
4,022,541	4,054,389	4,214,296	4,378,301	4,971,068	4,313,189
12,134,370	13,095,972	14,074,541	13,523,280	14,026,660	12,110,103
1,579,177	1,534,888	1,491,011	1,516,116	1,442,123	1,402,620
68,731,293	70,675,545	77,309,965	75,320,741	78,610,985	72,283,808
3,187,956	3,184,303	3,169,814	2,515,927	2,347,093	2,121,106
928,945	956,248	934,103	798,182	771,992	784,590
4,116,901	4,140,551	4,103,917	3,314,109	3,119,085	2,905,696
\$ 72,848,194	\$ 74,816,096	\$ 81,413,882	\$ 78,634,850	\$ 81,730,070	\$ 75,189,504
\$ 739,940	\$ 820,382	\$ 978,546	\$ 790,615	\$ 793,588	\$ 1,040,957
2,141,913	1,740,516	2,057,572	2,309,152	2,585,543	4,333,544
257,163	302,636	315,540	180,694	227,083	271,888
636,504	584,300	561,284	552,704	571,582	574,179
2,049,289	2,199,918	2,743,660	2,174,361	2,376,429	2,082,247
1,450,940	1,337,854	1,218,158	1,447,799	1,630,157	1,897,261
678,501	757,352	1,894,157	1,638,699	900,489	675,732
7,954,250	7,742,958	9,768,917	9,094,024	9,084,871	10,875,808
2,522,202	2,506,049	4,013,152	2,605,765	2,524,360	2,333,200
548,508	1,016,522	612,237	602,459	657,774	496,952
3,070,710	3,522,571	4,625,389	3,208,224	3,182,134	2,830,152
\$ 11,024,960	\$ 11,265,529	\$ 14,394,306	\$ 12,302,248	\$ 12,267,005	\$ 13,705,960

(Continued)

# Town of Orangetown, New York

## Changes In Net Position (Continued) Last Ten Fiscal Years

	2009	2010	2011	2012
Net Expense/Revenue				
Governmental Activities	\$ (52,090,863)	\$ (54,856,178)	\$ (60,975,458)	\$ (59,182,476)
Business-type Activities	(768,529)	(817,640)	(1,205,390)	(763,891)
Total Primary Government Net Expense	<u>\$ (52,859,392)</u>	<u>\$ (55,673,818)</u>	<u>\$ (62,180,848)</u>	<u>\$ (59,946,367)</u>
General Revenues				
Governmental Activities				
Taxes				
Real Property Taxes	\$ 44,152,419	\$ 46,808,152	\$ 47,278,778	\$ 45,985,541
Other Tax Items	224,011	137,824	555,097	73,958
Non-Property Taxes	1,947,063	2,046,940	2,125,968	2,110,658
Unrestricted Use of Money and Property	27,075	27,571	19,589	8,179
Sale of Property and				
Compensation for Loss	324,662	42,976	120,700	55,327
Unrestricted State aid	1,534,541	1,576,583	1,900,245	1,671,019
Miscellaneous	20,027	27,654	125,828	13,659
Sale of Real Property	-	-	-	420,000
Contribution of Land and Improvements	-	-	-	-
Transfers	(197,639)	(200,545)	(301,449)	(301,757)
Total Governmental Activities	<u>48,032,159</u>	<u>50,467,155</u>	<u>51,824,756</u>	<u>50,036,584</u>
Business-type Activities				
Unrestricted Use of Money and Property	3,066	2,965	3,128	1,483
Transfers	197,639	200,545	301,449	301,757
Total Business-type Activities	<u>200,705</u>	<u>203,510</u>	<u>304,577</u>	<u>303,240</u>
Total Primary Government				
General Revenues	<u>\$ 48,232,864</u>	<u>\$ 50,670,665</u>	<u>\$ 52,129,333</u>	<u>\$ 50,339,824</u>
Change in Net Position				
Governmental Activities	\$ (4,058,704)	\$ (4,389,023)	\$ (9,150,702)	\$ (9,145,892)
Business-type Activities	(567,824)	(614,130)	(900,813)	(460,651)
Total Primary Government	<u>\$ (4,626,528)</u>	<u>\$ (5,003,153)</u>	<u>\$ (10,051,515)</u>	<u>\$ (9,606,543)</u>

2013	2014	2015	2016	2017	2018
\$ (60,777,043) (1,046,191)	\$ (62,932,587) (617,980)	\$ (67,541,048) 521,472	\$ (66,226,717) (105,885)	\$ (69,526,114) 63,049	\$ (61,408,000) (75,544)
<u>\$ (61,823,234)</u>	<u>\$ (63,550,567)</u>	<u>\$ (67,019,576)</u>	<u>\$ (66,332,602)</u>	<u>\$ (69,463,065)</u>	<u>\$ (61,483,544)</u>
\$ 47,936,434 183,176 2,232,057 2,909	\$ 50,292,680 153,305 2,442,052 2,744	\$ 52,332,845 233,047 2,489,107 1,864	\$ 50,724,410 327,321 2,675,319 2,881	\$ 51,936,277 2,117,062 2,603,135 2,441	\$ 53,512,850 1,755,100 2,590,116 23,254
82,757 2,009,591 10,433 100,000 -	9,385 1,457,354 6,499 10,360 -	81,129 2,018,765 20,691 - 2,354,168	10,050 1,864,934 64,729 42,362 -	3,635 2,248,932 131,542 6,819,396 -	15,835 1,832,478 20,021 880,172
<u>(304,719)</u>	<u>(304,446)</u>	<u>(311,401)</u>	<u>(295,153)</u>	<u>(413,309)</u>	<u>(2,488,670)</u>
<u>52,252,638</u>	<u>54,069,933</u>	<u>59,220,215</u>	<u>55,416,853</u>	<u>65,449,111</u>	<u>58,141,156</u>
394 304,719	124 304,446	258 311,401	585 295,153	524 413,309	9,941 2,488,670
<u>305,113</u>	<u>304,570</u>	<u>311,659</u>	<u>295,738</u>	<u>413,833</u>	<u>2,498,611</u>
<u>\$ 52,557,751</u>	<u>\$ 54,374,503</u>	<u>\$ 59,531,874</u>	<u>\$ 55,712,591</u>	<u>\$ 65,862,944</u>	<u>\$ 60,639,767</u>
\$ (8,524,405) (741,078)	\$ (8,862,654) (313,410)	\$ (8,320,833) 833,131	\$ (10,809,864) 189,853	\$ (4,077,003) 476,882	\$ (3,266,844) 2,423,067
<u>\$ (9,265,483)</u>	<u>\$ (9,176,064)</u>	<u>\$ (7,487,702)</u>	<u>\$ (10,620,011)</u>	<u>\$ (3,600,121)</u>	<u>\$ (843,777)</u>

# Town of Orangetown, New York

## Fund Balances of Governmental Funds Last Ten Fiscal Years

	2009	2010	2011 (1)	2012
General Fund				
Nonspendable	\$ -	\$ -	\$ 4,644,752	\$ 4,929,426
Restricted	-	-	-	-
Committed	-	-	153,799	-
Assigned	-	-	639,473	169,705
Unassigned	-	-	1,875,878	1,691,532
Reserved	3,117,664	3,803,349	-	-
Unreserved	2,955,311	2,971,728	-	-
Total General Fund	<u>\$ 6,072,975</u>	<u>\$ 6,775,077</u>	<u>\$ 7,313,902</u>	<u>\$ 6,790,663</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ 1,019,846	\$ 825,782
Restricted	-	-	1,042,594	1,757,621
Committed	-	-	66,889	66,889
Assigned	-	-	10,095,407	10,190,604
Unassigned	-	-	(4,579,737)	(2,994,805)
Reserved	4,756,685	3,591,459	-	-
Unreserved, Reported In				
Special Revenue Funds	8,768,957	8,210,869	-	-
Capital Projects Fund	(7,983,465)	(3,434,149)	-	-
Debt Service Fund	1,000,000	1,000,000	-	-
Total All Other Governmental Funds	<u>\$ 6,542,177</u>	<u>\$ 9,368,179</u>	<u>\$ 7,644,999</u>	<u>\$ 9,846,091</u>
Total Governmental Funds	<u>\$ 12,615,152</u>	<u>\$ 16,143,256</u>	<u>\$ 14,958,901</u>	<u>\$ 16,636,754</u>

(1) - The Town implemented the provisions of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", for the fiscal year ended December 31, 2011.

2013	2014	2015	2016	2017	2018
\$ 5,579,716	\$ 6,172,951	\$ 325,302	\$ 287,767	\$ 308,717	\$ 267,044
-	-	26,331	204	3,629,326	236
-	-	-	-	-	-
159,015	121,618	46,166	47,867	786,717	1,106,587
2,427,248	2,499,268	3,751,095	4,384,399	7,256,929	6,217,847
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,165,979</u>	<u>\$ 8,793,837</u>	<u>\$ 4,148,894</u>	<u>\$ 4,720,237</u>	<u>\$ 11,981,689</u>	<u>\$ 7,591,714</u>
\$ 1,131,224	\$ 1,254,048	\$ 1,242,426	\$ 1,205,680	\$ 1,178,164	\$ 1,229,489
2,293,421	6,983,177	7,197,242	6,931,839	3,914,472	10,574,998
66,889	66,889	66,889	66,889	66,889	66,889
8,831,702	6,886,816	8,491,847	7,688,043	5,998,114	6,791,096
(52,375)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,270,861</u>	<u>\$ 15,190,930</u>	<u>\$ 16,998,404</u>	<u>\$ 15,892,451</u>	<u>\$ 11,157,639</u>	<u>\$ 18,662,472</u>
<u>\$ 20,436,840</u>	<u>\$ 23,984,767</u>	<u>\$ 21,147,298</u>	<u>\$ 20,612,688</u>	<u>\$ 23,139,328</u>	<u>\$ 26,254,186</u>

# Town of Orangetown, New York

## Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

	2009	2010	2011	2012
<b>Revenues</b>				
Real property taxes	\$ 44,152,419	\$ 46,808,152	\$ 47,278,778	\$ 45,985,541
Other tax items	224,011	137,824	555,097	73,958
Non-property taxes	1,947,063	2,046,940	2,125,968	2,110,658
Departmental income	2,386,655	2,636,093	2,798,290	3,334,060
Intergovernmental charges	1,370,624	1,266,789	1,394,266	1,261,785
Use of money and property	303,218	264,464	193,728	240,710
Licenses and permits	36,846	49,785	66,874	94,928
Fines and forfeitures	354,445	712,550	354,562	579,658
Sale of property and compensation for loss	324,662	42,976	120,700	55,327
Interfund revenues	3,657,484	3,736,089	3,542,427	3,409,601
State aid	2,122,946	2,284,490	2,453,420	2,769,817
Federal aid	64,832	318,989	243,043	1,313,146
Miscellaneous	749,025	699,847	1,173,637	829,732
<b>Total Revenues</b>	<b>57,694,230</b>	<b>61,004,988</b>	<b>62,300,790</b>	<b>62,058,921</b>
<b>Expenditures</b>				
<b>Current</b>				
General government support	9,135,450	10,091,224	9,520,068	9,056,841
Public safety	14,718,525	15,913,257	16,098,566	16,397,949
Health	450,800	463,180	467,140	466,701
Transportation	8,050,598	7,939,533	8,215,879	8,007,144
Economic opportunity and development	145,840	150,763	157,561	157,563
Culture and recreation	2,089,229	2,214,644	2,523,851	2,324,565
Home and community services	7,437,513	8,137,708	8,129,463	7,271,436
Employee benefits	11,127,923	12,011,600	13,612,715	13,026,704
<b>Debt Service</b>				
Principal	2,255,965	2,440,679	2,836,121	3,202,745
Interest	1,961,985	1,661,303	1,702,627	1,700,992
Refunding bond issuance costs	-	-	-	-
<b>Capital Outlay</b>	<b>8,370,520</b>	<b>5,235,332</b>	<b>4,788,899</b>	<b>492,471</b>
<b>Total Expenditures</b>	<b>65,744,348</b>	<b>66,259,223</b>	<b>68,052,890</b>	<b>62,105,111</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(8,050,118)</b>	<b>(5,254,235)</b>	<b>(5,752,100)</b>	<b>(46,190)</b>
<b>Other Financing Sources (Uses)</b>				
Bonds issued	1,255,000	8,695,000	4,869,194	1,605,800
Refunding bonds issued	-	-	-	-
Issuance premium	-	287,884	-	-
Loans issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Sale of real property	-	-	-	420,000
Energy performance debt issued	2,100,000	-	-	-
Transfers in	541,816	1,329,957	38,661	798,886
Transfers out	(739,455)	(1,530,502)	(340,110)	(1,100,643)
<b>Total Other Financing Sources</b>	<b>3,157,361</b>	<b>8,782,339</b>	<b>4,567,745</b>	<b>1,724,043</b>
<b>Net Change in Fund Balances</b>	<b>\$ (4,892,757)</b>	<b>\$ 3,528,104</b>	<b>\$ (1,184,355)</b>	<b>\$ 1,677,853</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	<b>7.5%</b>	<b>6.8%</b>	<b>7.2%</b>	<b>8.0%</b>

2013	2014	2015	2016	2017	2018
\$ 47,936,434	\$ 50,292,680	\$ 52,332,845	\$ 50,724,410	\$ 51,936,277	\$ 53,512,850
183,176	153,305	233,047	327,321	2,117,062	1,755,100
2,232,057	2,442,052	2,489,107	2,675,319	2,603,135	2,590,116
3,536,715	3,185,765	4,298,004	4,057,898	4,085,002	5,342,845
1,159,081	1,517,171	1,279,702	969,183	1,407,327	1,542,014
234,869	232,532	226,088	247,695	334,547	769,030
129,792	176,954	312,299	243,539	110,703	406,164
596,704	368,357	378,781	385,764	496,948	460,384
82,757	28,983	100,727	67,617	209,855	58,416
3,326,360	3,365,243	3,337,748	3,169,239	3,299,450	3,606,670
2,995,621	2,627,409	3,401,425	2,944,772	3,196,346	2,693,288
234,918	71,883	329,957	1,059,434	450,962	(4,158)
871,635	792,514	1,474,386	879,556	905,175	638,081
63,520,119	65,254,848	70,194,116	67,751,747	71,152,789	73,370,800
8,366,104	8,337,832	14,626,283	8,684,620	11,376,481	10,834,234
16,420,630	16,804,850	16,908,184	16,017,374	16,991,419	17,599,570
435,183	435,183	435,183	439,833	439,833	439,833
7,522,658	8,035,717	8,030,234	7,610,873	7,608,772	7,458,111
170,440	175,594	184,529	185,288	185,378	189,893
2,464,061	2,542,429	2,382,570	2,408,155	2,921,986	2,657,173
7,026,090	7,492,705	7,670,675	7,370,297	7,815,276	8,498,977
15,182,145	15,999,341	16,355,669	17,870,234	18,488,972	19,376,594
3,514,909	3,397,779	4,007,677	4,059,114	4,258,833	5,738,038
1,574,998	1,535,295	1,552,568	1,484,697	1,492,633	1,380,607
36,185	-	20,850	-	-	-
668,096	1,835,110	4,766,612	5,010,581	4,133,257	1,817,641
63,381,499	66,591,835	76,941,034	71,141,066	75,712,840	75,990,671
138,620	(1,336,987)	(6,746,918)	(3,389,319)	(4,560,051)	(2,619,871)
3,830,000	5,179,000	2,700,000	3,107,500	-	8,207,564
1,605,000	-	1,424,930	-	-	-
68,955	-	51,140	-	-	-
-	-	1,500,000	-	-	-
(1,637,770)	-	(1,455,220)	-	-	-
100,000	10,360	-	42,362	7,500,000	15,835
-	-	-	-	-	-
421,569	-	-	643,925	199,150	3,717,671
(726,288)	(304,446)	(311,401)	(939,078)	(612,459)	(6,206,341)
3,661,466	4,884,914	3,909,449	2,854,709	7,086,691	5,734,729
\$ 3,800,086	\$ 3,547,927	\$ (2,837,469)	\$ (534,610)	\$ 2,526,640	\$ 3,114,858
8.1%	7.5%	8.0%	8.4%	8.1%	9.9%

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## **Revenue Capacity**

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax. These schedules include:

Assessed Value and Estimated Actual Value  
of Taxable Property

Direct and Overlapping Property Tax Rates,  
Per \$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

## Town of Orangetown, New York

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended December 31,	Residential Property	Commercial Property	Total Taxable Assessed Value	State Special Equalization Rate (1)
2009	\$ 2,834,816,979	1,201,197,569	4,036,014,548	43.75
2010	2,834,531,412	1,201,681,922	4,036,213,334	48.95
2011	2,837,113,389	1,181,861,426	4,018,974,815	50.50
2012	2,838,386,925	1,144,072,308	3,982,459,233	50.65
2013	2,847,155,004	1,106,504,058	3,953,659,062	52.30
2014	2,860,130,685	1,059,677,586	3,919,808,271	49.85
2015	2,873,664,986	1,029,955,122	3,903,620,108	50.09
2016	2,885,882,365	851,893,178	3,737,775,543	50.05
2017	2,898,097,124	842,149,193	3,740,246,317	47.25
2018	2,906,612,324	844,714,315	3,751,326,639	45.50

Source: Town of Orangetown Assessor's Office

(1) Provided by the New York State Office of Real Property Services

(2) The Town has a complex rate structure that would make the calculation of a direct tax rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The Town substituted an effective tax rate instead.

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per \$1,000 of assessed value.

Estimated Actual Taxable Value	Total Effective Tax Rate (2)
9,225,176,110	10.9396
8,245,583,931	11.6037
7,958,365,970	11.7844
7,862,703,323	11.5545
7,559,577,556	12.2384
7,863,206,160	12.9886
7,793,212,434	13.7207
7,468,083,003	13.9728
7,915,865,221	14.3662
8,244,673,932	14.8775

## Town of Orangetown, New York

Direct and Overlapping Property Tax Rates,  
Per \$1,000 Of Assessed Valuation  
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Total Effective Tax Rate (1)	School Districts - Range			
		Homestead		Non-Homestead	
2009	\$ 10.9396	28.2396	- 36.0480	44.5084	- 48.7787
2010	11.6037	30.4827	- 37.5410	47.5335	- 53.4219
2011	11.7844	28.2905	- 37.2944	47.2649	- 51.7397
2012	11.5545	32.4188	- 39.0771	51.1493	- 54.8457
2013	12.2384	36.2621	- 44.5135	55.2714	- 62.3844
2014	12.9886	35.6208	- 46.5366	59.9901	- 67.7603
2015	13.7207	36.5899	- 46.1370	60.8924	- 68.4272
2016	13.9728	36.5892	- 46.4206	60.0583	- 68.3516
2017	14.3662	36.5124	49.3584	65.2771	72.8265
2018	14.8775	37.9559	49.8682	65.7543	73.5503

Homestead: 1, 2 or 3 family homes, a condominium, townhouse or residential vacant land under 10 acres.

Non-Homestead: All other properties

(1) The Town has a complex rate structure that would make a calculation of direct tax rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The Town substituted an effective tax rate instead.

Rockland County	
Homestead	Non-Homestead
3.1316	3.1316
3.3264	3.3264
3.3103	3.3103
4.9806	4.9806
5.7655	5.7655
6.2895	6.2895
6.3297	6.3297
7.1837	7.1837
6.6510	6.6510
6.8477	6.8477

# Town of Orangetown, New York

Principal Taxpayers  
Current Year and Nine Years Ago

2018				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Orange & Rockland Utilities, Inc.	Public Utility	74,839,280	2.00 %
2	American Cyanamid (Pfizer)	Industrial	63,472,900	1.69
3	Palisades Interstate Park	State Lands	57,501,689	1.53
4	Pearl River Campus	Industrial/Office	50,211,800	1.34
5	Spring Valley Water Co.	Public Utility	43,521,962	1.16
6	Glorious Sun Robert	Office Complex	33,817,590	0.90
7	Pontiac Holdings / Bradley Industrial Park	Industrial	27,112,313	0.72
8	HNA Training Center NY LLC	Commercial	18,004,000	0.48
9	Skae Power Solutions / Skae LLC	Commercial	11,364,500	0.30
10	Clarins USA Inc	Perfume	8,660,000	0.23
	Total		<u>\$ 388,506,034</u>	<u>10.35 %</u>

2009				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Wyeth (f/k/a American Cyanamid)	Pharmaceuticals	\$ 387,706,500	9.61 %
2	Palisades Interstate Park	State Lands	67,780,698	1.68
3	Glorious Sun Robert (f/k/a Blue Hill Plaza, Inc)	Office Complex	51,336,000	1.27
4	Orange & Rockland Utilities, Inc.	Public Utility	43,366,417	1.07
5	Verizon - Celco	Public Utility	35,247,382	0.87
6	International Business Machine	Commercial	34,000,000	0.84
7	Spring Valley Water Co	Public Utility	32,447,159	0.80
8	Pontiac Holdings / Bradley Industrial Park	Industrial	20,627,853	0.51
9	Clarins USA Inc	Perfume	12,175,100	0.30
10	New Car Company Acquisitions	Vehicle Manufacturer	9,760,700	0.24
	Total		<u>\$ 694,447,809</u>	<u>17.19 %</u>

Source: Town Assessor's Office

# Town of Orangetown, New York

## Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 44,152,420	44,152,420	100.00	-	44,152,420	100.00 %
2010	46,835,010	46,835,010	100.00	-	46,835,010	100.00
2011	47,361,150	47,361,150	100.00	-	47,361,150	100.00
2012	46,015,420	46,015,420	100.00	-	46,015,420	100.00
2013	48,386,620	48,386,620	100.00	-	48,386,620	100.00
2014	50,912,712	50,912,712	100.00	-	50,912,712	100.00
2015	53,560,328	53,560,328	100.00	-	53,560,328	100.00
2016	52,227,213	52,227,213	100.00	-	52,227,213	100.00
2017	53,733,150	53,733,150	100.00	-	53,733,150	100.00
2018	55,810,528	55,810,528	100.00	-	55,810,528	100.00

(1) Includes Town-wide taxes and special district taxes.

Note: Each year, the Town is made whole for its property tax levy by the County of Rockland.

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## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Ratios of Net General Bonded Debt Outstanding

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information

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# Town of Orangetown, New York

## Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities (1) General Obligation Bonds	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Energy Performance Contract	New York State Environmental Facilities Corporation Loan Payable				
2009	\$ 57,417,253	2,100,000	-	5,073,465	64,590,718	4.02	1,333.94
2010	63,671,574	2,100,000	-	5,913,426	71,685,000	3.74	1,469.20
2011	66,059,135	2,010,155	-	5,395,819	73,465,109	3.97	1,492.83
2012	64,564,317	1,890,035	-	4,834,415	71,288,767	3.81	1,441.40
2013	65,106,147	1,763,991	-	4,260,057	71,130,195	3.29	1,445.38
2014	66,990,143	1,631,731	-	3,747,747	72,369,621	3.35	1,470.57
2015	65,906,047	1,492,948	1,500,000	3,528,167	72,427,162	3.14	1,432.41
2016	65,067,731	1,347,321	1,500,000	3,347,387	71,262,439	3.20	1,411.72
2017	60,945,383	1,194,512	1,484,000	3,140,644	66,764,539	2.86	1,320.29
2018	63,533,152	1,034,166	954,000	914,330	66,435,648	2.66	1,326.27

(1) Excludes business-type activities - loans payable - other funds

(2) Population and personal income data can be found in the schedule of demographic and economic statistics.

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements.

# Town of Orangetown, New York

## Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-type Activities (1)	Less Debt Service Funds Available	Net Long-Term Debt	Percentage of Personal Income (2)	Per Capita (2)	Percentage of Actual Taxable Value of Property (3)
	General Obligation Bonds	General Obligation Bonds					
2009	\$ 57,417,253	5,073,465	3,326,295	65,817,013	4.10	1,359.27	0.71 %
2010	63,671,574	5,913,426	3,148,578	72,733,578	3.80	1,490.69	0.88
2011	66,059,135	5,395,819	2,217,006	73,671,960	3.98	1,497.03	0.93
2012	64,564,317	4,834,415	1,445,335	70,844,067	3.79	1,432.41	0.90
2013	65,106,147	4,260,057	2,000,575	71,366,779	3.30	1,450.19	0.94
2014	66,990,143	3,747,747	2,862,129	73,600,019	3.40	1,495.57	0.94
2015	65,906,047	3,528,167	1,959,821	71,394,035	3.09	1,411.98	0.92
2016	65,067,731	3,347,387	2,187,474	70,602,592	3.17	1,398.65	0.95
2017	60,945,383	3,140,644	2,128,742	66,214,769	2.84	1,309.42	0.84
2018	63,533,152	914,330	2,243,992	66,691,474	2.67	1,331.38	0.81

(1) Excludes business-type activities - loans payable - other funds

(2) Population and personal income data can be found in the schedule of demographic and economic statistics.

(3) - Actual taxable value of property can be found in the schedule of assessed value and estimated actual value of taxable property

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements.

## Town of Orangetown, New York

### Direct and Overlapping Governmental Activities Debt December 31, 2018

<u>Government Unit</u>	<u>Net Long-Term Debt Outstanding (1)</u>	<u>Percentage Applicable to Orangetown (3)</u>	<u>Amount Applicable to Orangetown</u>
County of Rockland (December 31, 2017)	\$ 511,581,447	20.03 %	\$ 102,469,764
School Districts (June 30, 2018):			
Nanuet UFSD	31,380,736	28.10	8,817,987
Nyack UFSD	314,268	42.00	131,993
Pearl River UFSD	11,482,438	100.00	11,482,438
South Orangetown CSD	15,401,029	100.00	15,401,029
Villages (May 31, 2018):			
Grand View-on-Hudson	-	100.00	-
Nyack	6,000,000	95.80	5,748,000
Piermont	1,855,000	100.00	1,855,000
South Nyack	1,230,000	100.00	1,230,000
Net Overlapping Debt			147,136,210
Town Direct Debt (2)			65,521,318
Net Direct and Overlapping Debt			<u>\$ 212,657,528</u>

(1) Excludes the amount available for debt service in other funds

(2) Represents governmental activities debt only

(3) The percentage of overlapping debt applicable is estimated using taxable assessed values.

Applicable percentages were estimated by determining the portion of the Town's taxable assessed value that is within the government's boundaries and dividing it by the Town's total taxable assessed value.

Source: Town of Orangetown and County of Rockland Finance Departments.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town.

This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

# Town of Orangetown, New York

## Legal Debt Margin Information Last Ten Fiscal Years

	2009	2010	2011	2012
Debt Limit	\$ 633,241,666	\$ 634,873,050	\$ 621,141,723	\$ 595,633,936
Total Net Debt Applicable to Limit	70,786,022	69,978,659	67,552,170	63,903,610
Legal Debt Margin	<u>\$ 562,455,644</u>	<u>\$ 564,894,391</u>	<u>\$ 553,589,553</u>	<u>\$ 531,730,326</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.18%	11.02%	10.88%	10.73%

## Legal Debt Margin Calculation for Fiscal Year 2018

Assessment Roll		Assessed Valuation	State Special Equalization Ratio		Full Valuation
Year	Budget Year				
2017	2018	\$ 3,751,326,639	45.50	% \$	8,244,673,932
2016	2017	3,740,246,317	47.25		7,915,865,221
2015	2016	3,737,775,543	50.05		7,468,083,003
2014	2015	3,903,620,108	50.09		7,793,212,434
2013	2014	3,919,808,271	49.85		7,863,206,160
Total Five Year Full Valuation					<u>\$ 39,285,040,750</u>
Five Year Average Full Valuation of Taxable Real Property					<u>7,857,008,150</u>
Debt Limit - 7% of Five Year Average Full Valuation					<u>549,990,571</u>
Outstanding Town Debt Serial Bonds					64,302,564
Less - Appropriations in 2019 Budget					<u>2,725,991</u>
Net Indebtedness Subject to Debt Limit					<u>61,576,573</u>
Net Debt Contracting Margin					<u>\$ 488,413,998</u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 571,919,696	\$ 552,852,117	\$ 546,518,916	\$ 539,571,462	\$ 540,339,221	\$ 549,990,571
<u>63,063,153</u>	<u>66,215,001</u>	<u>66,202,252</u>	<u>65,635,680</u>	<u>61,325,858</u>	<u>61,576,573</u>
<u>\$ 508,856,543</u>	<u>\$ 486,637,116</u>	<u>\$ 480,316,664</u>	<u>\$ 473,935,782</u>	<u>\$ 479,013,363</u>	<u>\$ 488,413,998</u>
11.03%	11.98%	12.11%	12.16%	11.35%	11.20%

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## **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place. These schedules include:

Demographic Statistics

Principal Employers

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## Town of Orangetown, New York

### Demographic Statistics Last Ten Fiscal Years

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<u>Fiscal Year Ended December 31,</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Town Unemployment Rate (3)</u>
2009	48,421	1,606,124,570	33,170	6.3 %
2010	48,792	1,914,354,120	39,235	6.6
2011	49,212	1,852,241,256	37,638	6.5
2012	49,458	1,870,798,308	37,826	6.6
2013	49,212	2,163,507,156	43,963	6.6
2014	49,212	2,163,507,156	43,963	3.8
2015	50,563	2,307,341,379	45,633	4.7
2016	50,479	2,226,982,043	44,117	4.1
2017	50,568	2,333,763,768	46,151	4.5
2018	50,092	2,498,388,592	49,876	3.4

#### Sources:

- (1) Source: New York State Empire Development
- (2) U.S. Census Bureau
- (3) NYS Department of Labor

# Town of Orangetown, New York

## Principal Employers

Current Year And Nine Years Ago

<u>EMPLOYER</u>	<u>2018</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Montefiore Nyack Hospital	1,968	8.32 %
Rockland Psychiatric Center	1,156	4.89
St. Dominic's Family Services	920	3.89
Orange & Rockland Utilities, Inc	817	3.45
Pfizer Pharmaceuticals	800	3.38
PDI	768	3.25
Lamont-Doherty Earth Observatory	560	2.37
Dominican College	440	1.86
Aluf Plastics	401	1.69
Active International	390	1.65
	<u>8,220</u>	<u>34.75 %</u>

<u>EMPLOYER</u>	<u>2009</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Pfizer	2,850	11.35 %
Nyack Hospital	1,500	5.98
Verizon wireless	1,000	3.98
Rockland Psychiatric Center	900	3.59
Orange & Rockland Utilities	766	3.05
Nice-Pak	815	3.25
Camp Venture	600	2.39
Chromalloy New York	440	1.75
Lamont - Doherty Earth Observatory	480	1.91
Dominican College	445	1.77
	<u>9,796</u>	<u>39.02 %</u>

Source: Rockland Economic Development Corporation

Note: Data obtained from Rockland Economic Development Corporation's list of Top Employers in Rockland County

## **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. These schedules include:

Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

## Town of Orangetown, New York

### Town Government Employees By Function Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31,			
	2009	2010	2011	2012
General Government	52	65	64	64
Public Safety	117	109	105	109
Culture and Recreation	25	24	24	24
Transportation	58	57	55	57
Home and Community Services	40	39	39	39
Total	292	294	287	293

Source: Town's Finance Department

2013	2014	2015	2016	2017	2018
64	62	62	62	62	60
109	109	102	107	100	100
24	23	23	19	19	17
57	57	55	54	54	49
39	39	35	31	33	30
293	290	277	273	268	256

## Town of Orangetown, New York

### Operating Indicators by Function/Program Last Ten Fiscal Years

	2009	2010	2011	2012
General Government Support				
Town Clerk				
Marriage licenses	425	355	408	419
Death certificates	972	998	1,158	1,023
Assessor				
Enhanced STAR applications	2,029	2,030	2,068	2,111
Basic Star applications	9,732	9,742	9,693	9,349
Tax parcels	16,304	16,309	16,324	16,326
Public Safety				
Building Activity				
Building permits issued	767	870	775	924
Estimated cost of construction (1)	29,799,418	47,500,134	64,566,044	62,807,918
New 1 and 2 family dwellings	16	13	10	15
Police				
Physical arrests	708	986	778	808
Calls for service	44,996	34,109	30,534	28,851
Parking violations	705	590	457	321
Traffic violations	7,552	6,998	4,445	3,684
Driving under the influence cases	44	72	67	85
Drug violations	141	127	71	79
Burglary / breaking and entry	49	67	50	51
Total criminal offenses	2,249	1,990	1,774	1,662
Culture and Recreation				
Recreation				
Blue Hill golf course rounds	59,887	58,286	53,697	56,252
Broadacres golf course rounds	20,859	19,872	16,994	18,643
Resident golf permits	2,507	2,577	2,466	2,340
Transportation				
Total roads resurfaced (%)	12%	12%	12%	12%

Sources: Various Town departments

(1) 2007 estimated cost of construction reflects large multi-family senior housing complexes.



2013	2014	2015	2016	2017	2018
378	386	326	399	347	353
969	860	1,002	867	1,043	1,042
2,040	2,213	2,075	1,904	1,809	1,764
9,307	9,187	8,873	8,603	8,369	8,342
16,326	16,333	16,351	16,366	16,376	16,376
979	853	851	991	1,024	1,140
66,463,131	51,342,198	61,341,618	79,500,532	64,668,681	166,910,137
16	6	17	16	18	18
561	918	999	1,193	1,070	869
34,111	37,885	36,161	31,514	28,594	25,614
739	692	1,313	1,367	1,285	1,472
4,808	4,209	4,276	5,188	6,036	4,893
103	105	102	86	88	61
125	214	233	179	191	169
41	36	26	26	36	27
1,500	1,671	1,872	1,687	1,802	1,659
44,814	52,232	49,572	52,691	52,816	40,465
16,972	20,053	20,104	19,859	19,589	16,104
2,135	2,109	2,161	2,860	2,283	2,201
12%	10%	11%	11%	10%	12%

# Town of Orangetown, New York

## Capital Asset Statistics By Function/Program Last Ten Fiscal Years

	2009	2010	2011	2012
General Government Support				
Number of general government buildings	1	1	1	1
Public Safety				
Number of police stations	3	3	3	3
Number of building inspection offices	2	2	2	2
Transportation				
Town roads maintained (miles)	145	147	147	147
State roads maintained (miles)	45	45	45	45
County roads maintained (miles)	16	16	16	16
Number of traffic lights	30	30	30	30
Number of parking meters	413	413	413	413
Culture and Recreation				
Number of history museums	2	2	2	2
Number of parks	24	24	24	24
Acres of parks	881	881	881	881
Number of golf courses	2	2	2	2
Playgrounds	6	6	6	6
Baseball / Softball	16	16	16	16
Multi-use fields	12	12	12	12
Basketball courts	6	6	6	6
Rail trails	1	1	1	1
Tennis courts	15	15	15	15
Home and Community Services				
Number of sewer pumping stations	48	48	48	48
Miles of sanitary sewers	200	200	200	200

Source: Various Town departments

2013	2014	2015	2016	2017	2018
1	1	1	1	1	1
3	3	3	3	3	3
2	2	2	2	2	2
147	147	147	147	147	147
45	45	45	45	45	45
16	16	16	16	16	16
30	30	30	30	30	30
413	413	413	413	413	413
2	2	2	2	2	2
24	24	24	24	24	24
881	881	881	881	881	881
2	2	2	2	2	2
6	6	6	6	6	6
16	16	16	16	16	16
12	12	12	12	12	12
6	6	6	6	5	5
1	1	1	1	1	1
15	15	15	15	15	15
48	48	48	48	48	48
200	200	200	200	200	200