

TOWN OF ORANGETOWN, NEW YORK

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2011

Prepared by

Charles J. Richardson
Director of Finance

TOWN OF ORANGETOWN, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED DECEMBER 31, 2011
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<p style="text-align: center;">STATISTICAL SECTION (Unaudited)</p>
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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.

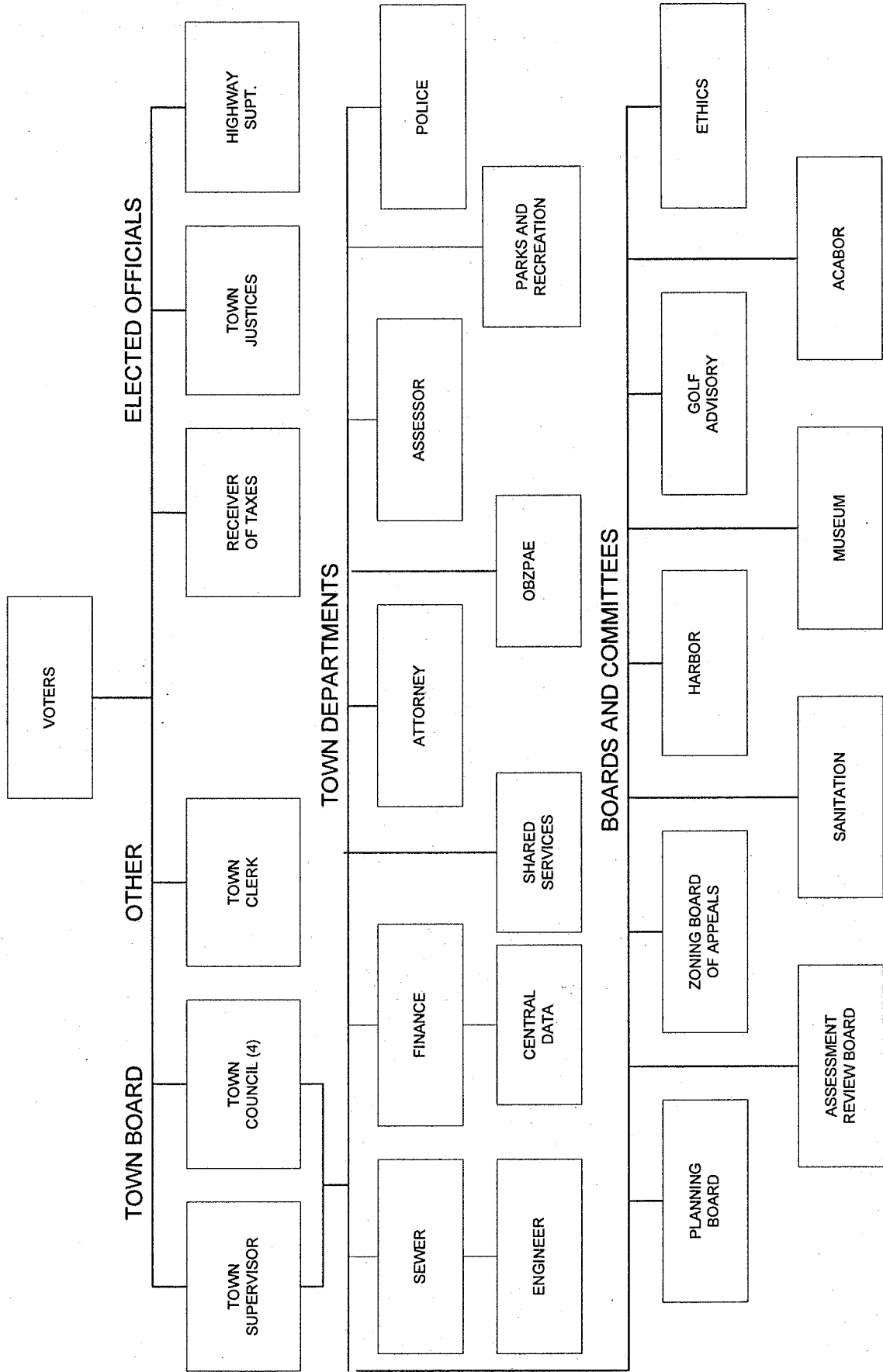
**INTRODUCTORY
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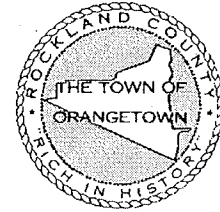
**TOWN OF ORANGETOWN,
NEW YORK
PRINCIPAL OFFICIALS
2011**

SUPERVISOR:	Paul Whalen
TOWN BOARD:	Thomas Diviny Nancy Low-Hogan Michael Maturo Denis Troy
TOWN CLERK:	Charlotte Madigan
DIRECTOR OF FINANCE:	Charles J. Richardson

STRUCTURE OF ORANGETOWN GOVERNMENT



TOWN OF ORANGETOWN
FINANCE OFFICE



May 8, 2012

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, 2011 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 O'Connor Davis, 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, 2011 are free of 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 unqualified opinion that the Town's financial statements, for the year ended December 31, 2011, are fairly presented in

conformity with GAAP. The independent auditor's 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, 2011 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 2010 Census population was 49,212, up 3.0% from the 2000 Census population of 47,711.

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 264 full-time positions and 35 part-time positions with the largest number of employees in the police, highway, sewer and parks departments. There are 85 sworn police officer positions. The Town maintains 145 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 one 27-hole golf course ("Blue Hill"), and acquired an existing nine-hole course ("Broadacres"), in January 2003.

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 component unit and is reflected in the Town's financial report.

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. The Town's annual unemployment rate increased from 4.4% in December 2008 to 6.9% in July 2010, the highest it had been since 1992.

Since 2010, there has been a slow decline to an average 6.1% for 2011. It is estimated that at the end of 2011, 24,700 residents were employed while 1,600 were unemployed.

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 2011, total employment at the Orangetown facility had dropped to 1,950 from 2,850 in 2009. The manufacturing portion of the facility is being phased out, leaving the site as a regional research facility. Additional job losses are expected by 2014, with jobs transferred to Puerto Rico and Ireland.

Wyeth 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 prevent additional job losses. In the case of the Town, Pfizer's property taxes will decline from \$4.9 million in 2011 to \$2.7 million in 2012, a reduction of \$2.2 million.

The economy had a significant effect on Town revenues related to housing sales. Town mortgage tax revenues dropped from \$1.8 million in 2008 to \$1.2 million in 2009. Mortgage tax revenues rebounded somewhat to \$1.6 million in 2011. At the same time, record low interest rates caused interest earnings to fall from \$0.7 million in 2008 to \$0.1 million in 2011.

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 recreation.

The Town offered 130 acres for commercial redevelopment and received a number of redevelopment plans submitted by developers. Eventually, the Town signed a contract with a senior housing developer in 2007, planning to sell 80 acres for \$24 million. Unfortunately, the developer, K. Hovnanian, exercised an option to opt out of the contract during the environmental review period in January, 2011. The Town is waiting for an upturn in the economy to re-market the property.

Despite these major setbacks, 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.

In 2010, Creston Electronics announced it would re-locate from across the state line from Rockleigh, New Jersey to a new 193,000 square foot building in Orangetown. FedEx also announced plans to build a 200,000 square foot

distribution center in Orangetown near the New York State Thruway. These two facilities are expected to bring a total of 400 new jobs to Orangetown.

Development plans are still proceeding on a 160 unit active adult housing complex to be located on a site overlooking Lake Tappan, and near the Blue Hill Golf Course. Because of the economy, plans have shifted from homes to apartments. Development is also expected to begin soon on Orangeburg Commons, a largely retail development near the Palisades Interstate Parkway that will include a Marriott hotel along with a Stop 'N Shop grocery store.

Long Term Financial Planning

Pfizer's decisions to cut its local work force in half and seek a 45% property tax reduction are significant blows to the Town's economy and property tax base.

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 continue to rise as more workers become eligible for retirement.

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 10% in 2013.

Both of the Town's multi-year agreements with the Orangetown Police Benevolent Association and the Orangetown Civil Service Employment Association expired at the end of 2010 and negotiations are on-going. The Town's hope is that the ultimate labor settlements will reflect the new and painful economic reality.

Relevant Financial Policies

As a result of the Town's economic problems, the Town Supervisor and Board have decided that the Town's work force and compensation need to be reduced. Towards that end, positions are being reduced through attrition. The Town Board decided against participating in a 2010 State sponsored retirement incentive because of the significant pension contribution cost and the likelihood that the retirements would take place without an incentive. So far, the latter has proved to be the case.

The Town Board in November 2011 voted not to override the State's 2% property tax cap.

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.

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, 2010. 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.

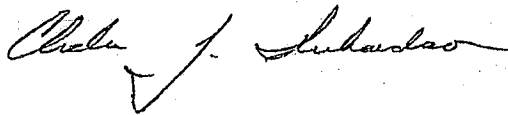
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal 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 again thank Margaret Modugno, Marcy Moskowitz and the other members of the O'Connor Davies, LLP audit team for their usual professionalism. I would also like to thank the Finance Office employees Ann Maestri, Natalie Schutter, Janice Ganley, Rosemarie Fornario, and Donna Salvatoriello for their diligence and on-going efforts to improve Orangetown government.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles J. Richardson".

Charles J. Richardson
Finance Director

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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Dandson

President

Jeffrey R. Enos

Executive Director

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**FINANCIAL
SECTION**

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INDEPENDENT AUDITORS' REPORT

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

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, 2011, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the statements of the Orangetown Housing Authority (a component unit) for the year ended December 31, 2011. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component unit, is based 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provides a reasonable basis for our opinion.

In our opinion, based on our report and the report of 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, 2011 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General, Town Outside Villages, Sewer and Highway Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.odpkf.com

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Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Schedule of Funding Progress - Other Post Employment Benefits 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
May 7, 2012

Town of Orangetown, New York
Management's Discussion and Analysis (MD&A)
December 31, 2011

Introduction

On behalf of Town Supervisor Andrew Stewart 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. The MD&A gives the Town's Finance Director an opportunity to summarize the Town's financial activity for the fiscal year ended December 31, 2011. 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 reports for fiscal year 2011 are the first time when governments are required to implement Governmental Accounting Standards Board's (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* which was issued in February 2009. GASB Statement 54 replaces the existing reserved and unreserved categories of fund balance with five new categories of fund balance. The new categories are nonspendable, restricted, committed, assigned and unassigned.

GASB in issuing the statement said that its purpose "is to enhance the usefulness of fund balance information by providing clearer fund balance classifications." These classifications "comprise a hierarchy based primarily on the extent to which a government is bound to observe constraint imposed upon the use of resources reported in the governmental funds." ¹

The Office of the State Comptroller in an April 2011 bulletin gives the following definitions for fund balance classifications:

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned."²

Financial Highlights for Fiscal Year 2011

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

- The Town of Orangetown has net assets that total \$59.2 million, excluding the Orangetown Housing Authority. Of this amount, \$60.7 million represents governmental net assets and -\$1.5 million are business type net assets for the Town's two golf courses. Total net assets for both types of activities declined by \$10.1 million with governmental activities reduced by \$9.2 million and business-type activities declining by \$0.9 million. The loss in the governmental activities reflect the unfunded costs of the other post employment benefits (OPEB) for health insurance benefits for present and future retirees. The 2011 required cost for the governmental funds grew from \$17.6 million in 2010 to \$23.4 million in 2011, an increase of \$5.8 million.
- The Town's major governmental funds, excluding the Capital Projects fund, ended 2011 with total fund balance of \$18.9 million. However, of this amount \$5.6 million was nonspendable with \$4.4 million representing advances to the Town's two golf course. An additional \$1.1 million was either restricted or committed while assigned fund balance was \$10.3 million assigned (primarily because of special funds), and \$1.9 million was unassigned fund balance in the General Fund.
- The Town's business entities, the Blue Hill Golf Course and the Broadacres Golf Course had total negative net assets of \$1,489,618. Unfortunately, both the Blue Hill Golf Course and Broadacres have been running deficits in recent years, with a combined 2011 loss of \$900,813, including post employment benefit costs.
- The Town's total outstanding debt was \$71.2 million in bonds as of December 31, 2011, with an additional \$1.8 million in outstanding bond anticipation notes for a sewer project and \$2.0 for an energy performance contract.

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 assets 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 2011 and the level of resources available for future years. Fiduciary funds also are shown; these consist 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, including assets not previously included such as infrastructure. The two statements that best summarize the Town's finances as a whole are the Statement of Net Assets and the Statement of Activities. These two statements include all assets and liabilities 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 assets and changes in them. Increases or decreases in net assets 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 and do not receive taxes. 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. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental Fund information is useful in determining the Town's financial requirements for subsequent fiscal periods.
- 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 Assets 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.

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 assets at the end of 2011 were \$59.2 million. Of this amount, \$60.7 million were assets of governmental activities and -\$1.5 were assets of business-type activities - the Blue Hill and Broadacres golf courses.

Total assets were \$166.4 million at the end of 2011, with capital assets, net of depreciation accounting for \$148.8 million of this amount. This latter amount includes infrastructure of

\$93.1 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 \$22.4 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 \$17.6 million and consist primarily of \$13.3 million in cash and equivalents, \$0.3 million in restricted investments, and \$2.5 million in receivables including \$0.5 million in Federal and State aid for Hurricane Irene costs.

Total liabilities are \$107.2 million with capital construction bonds outstanding at \$68.6 million, other bonds at \$2.6 million and \$2.0 million outstanding for an energy performance contract. Other long-term liabilities of the Town include compensated absences (\$2.7 million), claims payable (\$1.1 million) and \$24.5 million for other post employment benefit obligations payable that are funded over a number of years.

Net Assets
December 31, 2011
(In millions of dollars)

	Governmental Activities		Business Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current Assets	\$ 16.792	\$ 23.832	\$ 0.826	\$ 0.865	\$ 17.618	\$ 24.697
Capital Assets (depreciated)	139.457	140.042	9.348	8.320	148.805	148.362
Total Assets	156.249	163.874	10.174	9.185	166.423	173.059
Current Liabilities	0.455	6.554	5.070	2.981	5.525	9.535
Long Term Liabilities	95.124	87.500	6.594	6.793	101.718	94.293
Total Liabilities	95.579	94.054	11.664	9.774	107.243	103.828
Invested in Capital Assets (net of debt)	72.654	71.245	4.099	3.787	76.753	75.032
Restricted Assets	4.188	5.605	-	-	4.188	5.605
Unrestricted Assets	-16.173	-7.030	-5.589	-4.376	-21.762	-11.406
Total Net Assets	\$ 60.669	\$ 69.820	\$ -1.490	\$ -0.589	\$ 59.180	\$ 69.231

When liabilities are subtracted from assets the resulting net assets are \$59.2 million, consisting of \$76.8 million in invested in capital assets net of related debt, \$4.2 million in restricted assets, and a negative \$21.8 million in unrestricted assets. The latter includes capital projects for which long term debt has not been issued as well as the cumulative deficits of the Town's two golf courses. The restricted assets include \$2.2 million in monies reserved for debt service as well as amounts restricted for other purposes and special revenue funds.

Statement of Activities

The statement of activities presents information showing how the Town's net assets 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 of Orangetown were \$62.3 million. Real property taxes (including sewer unit charges included on property tax bills) made up \$47.3 million of this amount or 75%. Charges for services were \$8.1 million or 13%, 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 \$1.5 million or 2%. Unrestricted State aid totaled \$1.9 million or 3%, although nearly all of that (\$1.6 million) was from mortgage tax revenue that was generated in the Town.

Change in Net Assets
Fiscal Year Ended December 31, 2011
(in millions of dollars)

	Governmental Activities		Business Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues						
Charges for Services	\$ 4.991	\$ 5.053	\$ 3.156	\$ 3.392	\$ 8.147	\$ 8.445
Operating Grants and Contributions	1.508	1.313	-	-	1.508	1.313
Capital Grants and Contributions	0.544	3.548	-	-	0.544	3.548
General Revenues						
Real Property Taxes	47.279	46.808	-	-	47.279	46.808
Other Tax Items	0.555	0.138	-	-	0.555	0.138
Non-Property Taxes	2.126	2.047	-	-	2.126	2.047
Unrestricted Use of Money and Property	0.02	0.027	0.003	0.003	0.023	0.030
Sale of Property and Compensation for Loss	0.121	0.043	-	-	0.121	0.043
Unrestricted State Aid	1.900	1.577	-	-	1.900	1.577
Miscellaneous	0.126	0.028	-	-	0.126	0.028
Total Revenues	59.170	60.582	3.159	3.395	62.329	63.977
Program Expenses						
General Government Support	8.122	9.777	-	-	8.122	9.777
Public Safety	26.235	25.389	-	-	26.235	25.389
Health	0.467	0.463	-	-	0.467	0.463
Transportation	13.722	12.303	-	-	13.722	12.303
Economic Opportunity and Development	0.153	0.144	-	-	0.153	0.144
Culture and Recreation	4.09	3.406	-	-	4.090	3.406
Home and Community Services	13.547	11.603	-	-	13.547	11.603
Interest	1.683	1.685	-	-	1.683	1.685
Golf Courses	-	-	4.361	4.210	4.361	4.210
Total Expenses	68.019	64.770	4.361	4.210	72.380	68.980
Decrease in Net Assets before Transfers	(8.849)	(4.189)	(1.202)	(0.815)	(10.051)	(5.004)
Transfers	-0.301	-0.201	0.301	0.201	-	-
Decrease in Net Assets	(9.150)	(4.390)	(0.901)	(0.614)	(10.051)	(5.004)
Net Assets Beginning of Year	69.820	74.209	(0.589)	0.025	69.230	74.234
Net Assets End of Year	\$ 60.669	\$ 69.820	\$ (1.490)	\$ (0.589)	\$ 59.179	\$ 69.230

Program expenses totaled \$72.4 million, with governmental programs accounting for \$68.0 million of that amount. The cost of operating the golf courses was \$4.4 million. Public safety expenses, mainly police expenses, totaled \$26.2 million or 36% of Town spending. Home and community services were \$13.5 million or 18%. Sewer service costs account for the majority of the latter amount. Transportation spending, primarily by the Highway Department was \$13.7 million, or 18% of the total.

Program expenses in the statement of activities differ from the individual governmental fund statements in that the statement of activities includes the annual required contribution towards post employment health benefits among other items. In 2011, the increase in this amount was \$5.7 million for the governmental funds. The individual governmental funds exclude these costs.

The resulting net change in total net assets in 2011 was a \$10.1 million decrease. Governmental activities decreased by \$9.2 million, while the assets of the two golf courses declined by \$0.9 million.

Unfortunately, net assets will continue to decline unless the Town begins to address the twin causes of this pattern. The first is the failure to fund, or reduce through successful contract negotiations, the spiraling cost of post-employment benefits, which in Orangetown consist of lifetime health insurance with no retiree contribution. The recession has prevented the Town from considering funding 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.

The second reason for the decline in net assts is the ongoing losses at the Town's two golf courses. This problem is obviously smaller and more manageable, and it is the Town's intention to correct the situation through actions started in 2011 that will continue through 2012.

Governmental Fund Highlights

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

The major operating funds of the Town of Orangetown are the General Fund, Town-Outside Villages Fund, the combined Highway Fund, the Sewer Fund and the Debt Service 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 Debt Service Fund has been added to the table of major funds in this report for both 2011 and 2010 because it has grown in size as a result of major capital projects.

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

- Total revenues for selected governmental funds were \$59.9 million. Expenditures were \$61.3 or \$1.4 million more than revenues. Bonds in the amount of \$1.5 million were issued in 2011 to pay the cost of a settlement with the State for clean-up costs for the Clarkstown landfill. Net transfers in/out were \$0.3 million, leaving a \$0.2 million decrease in fund balances.
- Of the total fund balance of these funds of \$18.9 million, \$5.6 million is nonspendable, \$0.9 million is restricted, and \$0.2 million is committed. The assigned and unassigned portions of fund balance are \$10.3 million and \$1.9 million respectively. Of the \$10.3 million in assigned fund balance, \$3.5 million was budgeted to fund the 2012 operating budget.

Selected Governmental Operating Funds in 2011
Revenues, Expenditures and Changes in Fund Balances
(in millions of dollars)

	2011					
	<u>General</u>	<u>Town Outside Villages</u>	<u>Sewer</u>	<u>Highway</u>	<u>Debt Service</u>	<u>Total</u>
Revenues:						
Property Taxes and Unit Charges	\$ 2.771	\$ 23.352	\$ 6.122	\$ 9.300	\$ 3.805	\$ 45.350
Other Revenues	8.935	2.400	2.035	0.998	0.203	14.571
Total Revenues	11.706	25.752	8.157	10.298	4.008	59.921
Expenditures	11.128	26.775	8.556	10.213	4.638	61.310
Revenues Net of Expenditures	0.578	(1.023)	(0.399)	0.085	(0.630)	(1.389)
Bonds Issued	-	1.500	-	-	-	1.500
Premium on Obligations	-	-	-	-	-	-
Transfers In	-	-	-	0.039	-	0.039
Transfers Out	(0.039)	-	-	-	(0.301)	(0.340)
Net Changes in Fund Balances	0.539	0.477	(0.399)	0.124	(0.931)	(0.190)
Beginning Fund Balances	6.775	4.758	1.223	3.204	3.148	19.108
Ending Fund Balances	\$ 7.314	\$ 5.235	\$ 0.824	\$ 3.328	\$ 2.217	\$ 18.918
Fund Balance By Type						
Nonspendable	4.645	0.695	0.123	0.163	-	5.626
Restricted	-	0.231	-	-	0.717	0.948
Committed	0.154	-	-	-	-	0.154
Assigned	0.639	4.309	0.701	3.165	1.500	10.314
Unassigned	1.876	-	-	-	-	1.876
Total Fund Balance	\$ 7.314	\$ 5.235	\$ 0.824	\$ 3.328	\$ 2.217	\$ 18.918

- Total expenditures for the selected governmental funds grew by \$2.2 million. Total revenues for these selected government funds grew by \$1.3 million. Property taxes and unit charges increased by \$0.4 million or roughly 1%, primarily because of rising pension costs. Other revenues increased by \$1.0 million in part because of \$0.4 million in revenues due to the violation of a payment-lieu-of-taxes agreement as well as increases in mortgage and sales taxes driven by a slowly improving economy (+\$0.4 million).

General Fund

The Town of Orangetown'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 \$11.7 million in 2011 and expenditures totaled \$11.1 million.
- The Town's General Fund ended 2011 with a slightly favorable outcome on the revenue and a more favorable outcome on the expenditure side. Revenues were \$0.2 million above the final budget with cable television franchise fees and sales taxes accounting for half of that overage. Expenditures were \$0.8 million below the final budget with most General Fund departments below the original budget. The Town continued its on-going policy of downsizing personnel costs through attrition.
- Fund balance increased from a beginning level of \$6.8 million to an ending level of \$7.3 million. However only \$1.9 million of the fund balance is unassigned. Fund balance of \$4.6 million is nonspendable, with advances to the Town's two golf course accounting for \$4.4 million. The assigned fund balance of \$0.6 million consists of \$0.5 million that was used to balance the 2012 budget with another \$0.1 million for encumbrances. And additional \$.2 million is committed for capital improvements.

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 of Orangetown police protection. All villages in the Town of Orangetown 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 made 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 declined from \$1.1 million in 2010 to \$0.8 million in 2011, reflecting a lack of large building projects in 2011.
- Fringe benefits costs for the TOV funds were \$6.4 million in 2011 or 28% 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 50% of payroll costs.
- In November of 2010 the Town entered a consent decree with the New York State Department of Environmental Conservation for the Town's share of the clean-up costs of the nearby Clarkstown landfill. Orangetown's share of the total \$20 million was slightly more than \$1.5 million. Of this amount, the Town agreed to pay \$767,000 or half the cost immediately with the second half be paid in 2011. The Town issued \$1.5 million bonds for these costs in 2011.

The 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 of Orangetown 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 of Orangetown 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 2011 the unit charge was \$199.17 per unit. The unit charge raised \$5.6 million and accounted for 68% of total revenues. Property taxes for pay-as-you go capital improvements and repairs were \$0.6 million and made up 7% of 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 equaled \$2.0 million in 2011 or 28% 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. These factors coupled with sewer emergencies caused by storms and flooding, have caused sewer overtime to exceed \$400,000 in both 2009 and 2010. In 2011 efforts to train staff appear to have partially paid off; overtime fell by 15% despite costs associated with Hurricane Irene.
- For the 2010 budget, Pfizer had 6,623 sewer units or 21% of the total number in the Town. Pfizer's decision to close manufacturing operations has since caused the reduction in their number of sewer units from 6,623 to 3,467 or roughly 13% of total

sewer units. This was partially responsible for a rise in unit share costs from \$171.26 in 2010 to \$199.17 in 2011.

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 2011. 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 Highways budgets are fairly consistent from year to year, actual spending varies based on the price of fuel and the amount of snow. The cost of fuel, primarily diesel, went from \$286,000 in 2008, to \$220,000 in 2009 and back up to \$293,000 in 2010. Fuel costs rose to \$443,000 in 2011. The cost of snow removal, excluding the cost of fuel, was \$0.7 million in 2008 and varied between \$1.1 million and \$1.2 million for the period of 2009 through 2011.
- 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 Department is also looking to natural gas fueled vehicles in the near future.

Debt Service Fund

The primary source of revenue for the Debt Service Fund is the property tax which at \$3.8 million was equal to 94% of 2011 revenues. Other revenues in 2011 included a grant for \$0.1 million for reduced energy use that resulted from the energy performance contract and another \$0.1 million in interest premiums that were received when debt was issued.

- Debt service costs have steadily risen 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. Debt service expenditures were \$2.1 million in 2008, \$3.8 million in 2009, \$4.0 million in 2010 and \$4.6 million in 2011. Sewer related debt made of \$3.0 million of total debt service fund costs in 2011.

Capital Assets and Debt Administration

Capital Assets

The Town of Orangetown's capital assets had values, net of accumulated depreciation, of \$148.8 million at the end of 2011. This was an increase \$0.4 million over 2010.

- The declines in the overall values of land improvements, buildings and improvements, machinery and equipment, and infrastructure are due to depreciation out-pacing new purchases.
- The increase of \$1.0 million in business type assets reflects a \$1.3 million capital project to renovate the club house building at the Town's Blue Hill Golf Course.
- 2011 construction in progress of \$6.0 million is primarily work on Town sewer pumping stations and a \$1.8 million project to renovate sewer sludge tank facilities.

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

Capital Assets
December 31, 2011
(In millions of dollars, net of accumulated depreciation)

	Governmental Activities		Business Type		Total	
	2011	2010	2011	2010	2011	2010
Land	16.945	\$ 16.945	\$ 5.454	\$ 5.454	\$ 22.399	\$ 22.399
Land Improvements	6.115	6.612	-	-	6.115	6.612
Buildings & Improvements	8.100	8.381	0.438	0.460	8.538	8.841
Golf Course Facility	-	-	3.189	2.217	3.189	2.217
Machinery & Equipment	9.182	10.442	0.266	0.189	9.448	10.631
Infrastructure	93.145	96.331	-	-	93.145	96.331
Construction-In-Progress	5.970	1.331	-	-	5.970	1.331
Total Capital Assets	\$ 139.457	\$ 140.042	\$ 9.347	\$ 8.320	\$ 148.804	\$ 148.362

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

Long Term and Short Term Debt

Orangetown's long-term debt (general obligation bonds) at the end of 2011 was \$71.2 million, of which \$65.8 was for governmental activities, and \$5.4 million was for the Blue Hill Golf Course and Broadacres Golf Course, both business type activities. The Town also had \$1.8 million in bond anticipation notes (BANs) for sewer capital purposes and \$2.0 million outstanding in a loan for an energy performance contract.

The decline in bond anticipation notes from \$11.7 million in 2009 to \$1.8 million in 2011 was due to the Town's decision to take advantage of historically low long term rates. It also reflected the fact that since the Town's sale of land to a developer had fallen through in January of 2011, there would be no opportunity to use sale proceeds to retire short term debt.

Total outstanding debt rose from \$72.8 million in 2010 to \$75.0 million in 2011 because \$1.2 million in 2010 BANS were converted bonds and \$1.5 million in bonds were issued for the cost of the Clarkstown landfill settlement.

In September, 2011 Moody's Investors' Service gave the Town a MIG1 (Municipal Investment Grade) rating for its BANS, the highest possible rating. Moody's also re-affirmed the Town's underlying Aa2 rating for outstanding debts.

Outstanding Debt
General Obligations Bonds, Bond Anticipation Notes and Energy Performance Contract
(in millions of dollars)

	Governmental		Business Type		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ 65.794	\$ 63.672	\$ 5.360	\$ 5.913	\$ 71.154	\$ 69.585
Bond Anticipation Notes	1.800	1.200	-	-	1.800	1.200
Energy Performance Contract	2.010	2.100	-	-	2.010	2.100
Total Outstanding Debt	\$ 69.604	\$ 66.972	\$ 5.360	\$ 5.913	\$ 74.964	\$ 72.885

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

Economic Factors

Resources and Challenges

As indicated in the transmittal letter, 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.

Despite the economic advantages stated above, the Town, like the rest of the nation, is affected by the recent recession and painfully slow economic recovery. The Town finances weathered 2011 because of conservative budget practices including the second year of a hiring freeze and reduced capital outlay purchases.

Pfizer Down-Sizing and Tax Base

While the economy slowly recovers, the immediate threats to the Town's financial well being are the decisions by Pfizer to down-size operations and challenge its property taxes. When Pfizer acquired 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.

Initially, Pfizer indicated that layoffs would be limited to 400 of the Pearl River (Orangetown) facility's 3,000 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, although that number appears to be fluid.

Pfizer subsequently indicated to the Town and Nanuet School District that in order to preserve remaining jobs, the Pfizer facility's property taxes needed to be dramatically reduced. A recent settlement approved by the Town Board and Nanuet School Board in 2011 reduced Pfizer's total 2012 property taxes and sewer charges by 45% below the 2011 level. For the Town in 2012, this took the form of a 5% assessment reduction and a tax refund of \$2.1 million.

The Pfizer settlement will remain in effect through 2016. Pfizer is in the process of attempting to sell or lease empty buildings on the Pearl River campus. Under the agreement Pfizer would be eligible for addition tax reductions if it ultimately decides to demolish buildings to cut costs.

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 is considering a series of options that will replace or renovate the Tappan Zee Bridge, which has Orangetown at its western end. The most likely option would be construction of a new bridge with a mass transit component. The State plans to replace the Tappan Zee Bridge with a new bridge with a mass transit component. Given the effects of the recession on New York State's finances, the timing of the bridge replacement is speculative.

Geography and major highways were clearly factors in FedEx's decision to build a distribution center in Orangetown in 2010. A slowly improving economy has also caused a developer to move forward with a dormant plan to build a small shopping center with one to two hotels on the site.

Surplus Lands at the Rockland Psychiatric Center

In January 2003, the Town purchased 350 acres of surplus Rockland Psychiatric Center (RPC) land from New York State, including the existing Broadacres Golf Course. The Town is completing a \$6.5 million recreation project on previously vacant lands at the site. In 2005, the Town offered 130 acres of for redevelopment, roughly half of which is occupied by vacant hospital dormitories. In 2007 the Town signed a contract with K. Hovnanian builders for the sale of roughly 80 acres for a purchase price of \$24 million. However in February 2011, K. Hovnanian exercised an option during the environmental review period not to finalize the sale, citing the higher than anticipated cost of remediating the site, as well as the economy.

The Town, at this point, plans to again offer portions of the land for sale, though no schedule has been developed. There have been informal discussions with major companies for data centers on portions on the RPC site.

Next Year's Budgets and Tax Rates

The 2012 budget was the first where the Town needed to comply with the property tax cap that was approved by the New York State Legislature in 2011. The Town Board decided not to override the tax cap for 2012. Because the \$2.1 million tax refund to Pfizer and \$0.6 million in other tax refunds was equal to a 5%, the Town needed to reduce tax rates for Town services by 3% to stay within the 2% tax cap. The appropriated \$3.5 million in fund balance as part of means for reducing property taxes for Town services. The Town Board also voted to amortize 2012 pension costs.

For 2013, the new 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 quicken.

Contacting the Town's Financial Management

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

Charles J. Richardson
Orangetown Finance Director
Town Hall
26 Orangeburg Road
Orangeburg, New York 10962
Or e-mail findir@orangetown.com

Notes

1. Governmental Accounting Standard Board, "Summary of Statement No. 54 *Fund Balance Reporting and Governmental Fund Type* (Issues 02/09)," gasb.org/st/summary/gstsm54.html (accessed 4/4/2012).
2. State of New York, Office of the State Comptroller, accounting bulletin, "Fund Balance Reporting and Governmental Fund Type Definitions," (Albany, NY: April 2011), pages 2-3.

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**BASIC FINANCIAL
STATEMENTS**

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TOWN OF ORANGETOWN, NEW YORK

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Orangetown Housing Authority
ASSETS				
Cash and equivalents	\$ 12,558,221	\$ 699,420	\$ 13,257,641	\$ 30,150
Restricted investments	279,105	-	279,105	1,356,780
Receivables:				
Accounts	1,070,582	44,378	1,114,960	15,153
State and Federal aid	483,254	-	483,254	-
Due from other governments	930,538	-	930,538	-
Prepaid expenses	1,469,822	60,378	1,530,200	25,241
Deferred charges, net	-	22,479	22,479	33,962
Capital assets:				
Not being depreciated	22,914,968	5,453,825	28,368,793	1,969,055
Being depreciated, net	116,542,080	3,893,561	120,435,641	3,491,419
Total Assets	156,248,570	10,174,041	166,422,611	6,921,760
LIABILITIES				
Accounts payable	1,756,763	43,574	1,800,337	19,079
Accrued liabilities	290,563	-	290,563	-
Accrued interest payable	646,630	79,597	726,227	-
Retained percentages	372,150	-	372,150	-
Bond anticipation notes payable	1,800,000	-	1,800,000	-
Due to other governments	67,812	2,914	70,726	-
Unearned revenues	420,000	45,561	465,561	3,190
Deposits	-	-	-	97,221
Internal balances	(4,898,261)	4,898,261	-	-
Non-current liabilities:				
Due within one year	4,139,745	560,875	4,700,620	599,920
Due in more than one year	90,983,830	6,032,877	97,016,707	5,872,077
Total Liabilities	95,579,232	11,663,659	107,242,891	6,591,487
NET ASSETS (DEFICITS)				
Invested in capital assets, net of related debt	72,654,445	4,099,190	76,753,635	281,998
Restricted for:				
Capital projects	399,483	-	399,483	-
Law enforcement	230,897	-	230,897	-
Debt service	2,217,006	-	2,217,006	-
Workers compensation benefits	63,633	-	63,633	-
Risk retention	722,777	-	722,777	-
Special Revenue Funds:				
Special Districts	307,739	-	307,739	-
Pearl River Parking	151,257	-	151,257	-
Special Purpose	94,691	-	94,691	-
Unrestricted	(16,172,590)	(5,588,808)	(21,761,398)	48,275
Total Net Assets (Deficits)	\$ 60,669,338	\$ (1,489,618)	\$ 59,179,720	\$ 330,273

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, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government support	\$ 8,121,893	\$ 512,738	\$ 4,405	\$ -
Public safety	26,235,249	1,258,584	533,980	-
Health	467,140	-	-	-
Transportation	13,722,291	231,662	893,625	26,006
Economic opportunity and development	152,737	-	-	-
Culture and recreation	4,089,519	695,302	13,136	-
Home and community services	13,546,983	2,293,031	63,118	315,000
Interest	1,682,937	-	-	202,704
Total Governmental Activities	68,018,749	4,991,317	1,508,264	543,710
Business-type activities:				
Blue Hill Golf Course	3,267,030	2,595,055	-	-
Broad Acres Golf Course	1,094,235	560,820	-	-
Total Business-type Activities	4,361,265	3,155,875	-	-
Total	\$ 72,380,014	\$ 8,147,192	\$ 1,508,264	\$ 543,710
Component unit - Orangetown Housing Authority	\$ 941,731	\$ 966,960	\$ 1,345	\$ -

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

Transfers

Total General Revenues

Change in Net Assets

Net Assets (Deficit) - Beginning of Year

Net Assets (Deficit) - End of Year

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

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing Authority
\$ (7,604,750)	\$ -	\$ (7,604,750)	\$ -
(24,442,685)	-	(24,442,685)	-
(467,140)	-	(467,140)	-
(12,570,998)	-	(12,570,998)	-
(152,737)	-	(152,737)	-
(3,381,081)	-	(3,381,081)	-
(10,875,834)	-	(10,875,834)	-
(1,480,233)	-	(1,480,233)	-
(60,975,458)	-	(60,975,458)	-
-	(671,975)	(671,975)	-
-	(533,415)	(533,415)	-
-	(1,205,390)	(1,205,390)	-
(60,975,458)	(1,205,390)	(62,180,848)	-
-	-	-	26,574
47,278,778	-	47,278,778	-
450,951	-	450,951	-
104,146	-	104,146	-
648,077	-	648,077	-
1,477,891	-	1,477,891	-
19,589	3,128	22,717	51,373
120,700	-	120,700	-
1,900,245	-	1,900,245	-
125,828	-	125,828	-
(301,449)	301,449	-	-
51,824,756	304,577	52,129,333	51,373
(9,150,702)	(900,813)	(10,051,515)	77,947
69,820,040	(588,805)	69,231,235	252,326
\$ 60,669,338	\$ (1,489,618)	\$ 59,179,720	\$ 330,273

TOWN OF ORANGETOWN, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	General	Town Outside Villages	Sewer
ASSETS			
Cash and Equivalents	\$ 3,763,456	\$ 5,376,862	\$ 30,005
Restricted Investments	-	-	-
Receivables:			
Accounts	325,971	467,387	186,492
State and Federal aid	16,547	-	125,868
Due from other governments	420,000	241,072	142,351
Due from other funds	-	-	477,779
Advances to other funds	4,367,419	-	-
	5,129,937	708,459	932,490
Prepaid Expenditures	277,333	694,687	123,326
Total Assets	\$ 9,170,726	\$ 6,780,008	\$ 1,085,821
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Accounts payable	\$ 184,150	\$ 234,963	\$ 220,559
Accrued liabilities	-	290,563	-
Retained percentages	-	-	-
Bond anticipation notes payable	-	-	-
Due to other governments	29,574	-	-
Due to other funds	1,643,100	1,019,454	54
Deferred revenues	-	-	40,869
Total Liabilities	1,856,824	1,544,980	261,482
Fund Balances (Deficits):			
Nonspendable	4,644,752	694,687	123,326
Restricted	-	230,897	-
Committed	153,799	-	-
Assigned	639,473	4,309,444	701,013
Unassigned	1,875,878	-	-
Total Fund Balances (Deficits)	7,313,902	5,235,028	824,339
Total Liabilities and Fund Balances (Deficits)	\$ 9,170,726	\$ 6,780,008	\$ 1,085,821

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

Highway	Debt Service	Capital Projects	Other Governmental	Total Governmental Funds
\$ 124,666	\$ 933,402	\$ 399,640	\$ 547,850	\$ 11,175,881
-	-	279,105	-	279,105
12,732	-	-	2,590	995,172
286,190	-	54,649	-	483,254
127,115	-	-	-	930,538
2,886,741	1,283,604	-	31,212	4,679,336
-	-	-	-	4,367,419
3,312,778	1,283,604	54,649	33,802	11,455,719
163,180	-	-	38,653	1,297,179
\$ 3,600,624	\$ 2,217,006	\$ 733,394	\$ 620,305	\$ 24,207,884
\$ 145,804	\$ -	\$ 158,320	\$ 413	\$ 944,209
-	-	-	-	290,563
-	-	372,150	-	372,150
-	-	1,800,000	-	1,800,000
-	-	-	38,238	67,812
-	-	2,495,772	27,885	5,186,265
127,115	-	420,000	-	587,984
272,919	-	5,246,242	66,536	9,248,983
163,180	-	-	38,653	5,664,598
-	717,006	-	94,691	1,042,594
-	-	66,889	-	220,688
3,164,525	1,500,000	-	420,425	10,734,880
-	-	(4,579,737)	-	(2,703,859)
3,327,705	2,217,006	(4,512,848)	553,769	14,958,901
\$ 3,600,624	\$ 2,217,006	\$ 733,394	\$ 620,305	\$ 24,207,884

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TOWN OF ORANGETOWN, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2011

Fund Balances - Total Governmental Funds	\$ 14,958,901
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	139,457,048
Other long-term assets are not available to pay for current-period expenditures and, therefore, deferred in the funds.	
State aid	48,630
Federal aid	119,354
	167,984
Net assets of the internal service funds are included with government activities.	786,410
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(646,630)
Bonds payable	(66,059,135)
Energy performance contract payable	(2,010,155)
Compensated absences	(2,629,281)
Other post employment benefit obligations payable	(23,355,804)
	(94,701,005)
Net Assets of Governmental Activities	\$ 60,669,338

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, 2011

	General	Town Outside Villages	Sewer	Highway	Debt Service
REVENUES					
Real property taxes	\$ 2,771,491	\$ 23,352,482	\$ 6,122,778	\$ 9,300,466	\$ 3,805,341
Other tax items	25,945	529,152	-	-	-
Non-property taxes	2,125,968	-	-	-	-
Departmental income	763,991	978,564	945,965	-	-
Intergovernmental charges	-	204,410	1,067,964	121,892	-
Use of money and property	153,765	22,187	3,131	8,335	3,859
Licenses and permits	66,874	-	-	-	-
Fines and forfeitures	354,562	-	-	-	-
Sale of property and compensation for loss	-	34,775	-	85,925	-
Interfund revenues	3,518,700	-	-	23,727	-
State aid	1,855,976	97,709	620	473,109	-
Federal aid	26,623	33,239	3,809	179,372	-
Miscellaneous	41,957	499,469	12,911	105,455	198,845
Total Revenues	11,705,852	25,751,987	8,157,178	10,298,281	4,008,045
EXPENDITURES					
Current:					
General government support	4,595,627	3,142,536	765,320	899,165	117,420
Public safety	184,755	15,048,065	-	-	-
Health	67,140	-	-	-	-
Transportation	473,882	478,423	-	7,183,290	-
Economic opportunity and development	157,561	-	-	-	-
Culture and recreation	2,499,466	-	-	-	-
Home and community services	183,398	1,124,654	6,238,264	-	-
Employee benefits	2,966,537	6,981,465	1,534,150	2,130,563	-
Debt service:					
Principal	-	-	-	-	2,836,121
Interest	-	-	18,000	-	1,684,627
Capital outlay	-	-	-	-	-
Total Expenditures	11,128,366	26,775,143	8,555,734	10,213,018	4,638,168
Excess (Deficiency) of Revenues Over Expenditures	577,486	(1,023,156)	(398,556)	85,263	(630,123)
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	1,500,000	-	-	-
Transfers in	-	-	-	38,661	-
Transfers out	(38,661)	-	-	-	(301,449)
Total Other Financing Sources (Uses)	(38,661)	1,500,000	-	38,661	(301,449)
Net Change in Fund Balances	538,825	476,844	(398,556)	123,924	(931,572)
Fund Balances (Deficits) - Beginning of Year	6,775,077	4,758,184	1,222,895	3,203,781	3,148,578
Fund Balances (Deficits) - End of Year	\$ 7,313,902	\$ 5,235,028	\$ 824,339	\$ 3,327,705	\$ 2,217,006

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ -	\$ 1,926,220	\$ 47,278,778
-	-	555,097
-	-	2,125,968
-	109,770	2,798,290
-	-	1,394,266
-	2,451	193,728
-	-	66,874
-	-	354,562
-	-	120,700
-	-	3,542,427
26,006	-	2,453,420
-	-	243,043
315,000	-	1,173,637
341,006	2,038,441	62,300,790
-	-	9,520,068
-	865,746	16,098,566
-	400,000	467,140
-	80,284	8,215,879
-	-	157,561
-	24,385	2,523,851
-	583,147	8,129,463
-	-	13,612,715
-	-	2,836,121
-	-	1,702,627
4,788,899	-	4,788,899
4,788,899	1,953,562	68,052,890
(4,447,893)	84,879	(5,752,100)
3,369,194	-	4,869,194
-	-	38,661
-	-	(340,110)
3,369,194	-	4,567,745
(1,078,699)	84,879	(1,184,355)
(3,434,149)	468,890	16,143,256
\$ (4,512,848)	\$ 553,769	\$ 14,958,901

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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, 2011

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

Net Change in Fund Balances - Total Governmental Funds	\$ (1,184,355)
--	----------------

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. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Capital outlay expenditures	5,190,306
Depreciation expense	<u>(5,775,463)</u>
	<u>(585,157)</u>

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

State aid	48,630
Federal aid	<u>119,354</u>
	<u>167,984</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bonds issued	(4,869,194)
Principal paid on bonds	2,746,276
Principal paid on energy performance contract	89,845
Amortization of premium	<u>17,993</u>
	<u>(2,015,080)</u>

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

Accrued interest	1,697
Compensated absences	(674,868)
Claims	767,129
Other post employment benefit obligations	<u>(5,712,515)</u>
	<u>(5,618,557)</u>

Internal service funds are used by management to charge the cost of risk activities to individual funds. The net revenue of the internal service funds is reported within governmental activities.

	84,463
Change in Net Assets of Governmental Activities	<u>\$ (9,150,702)</u>

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, 2011

	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)
REVENUES								
Real property taxes	\$ 2,763,027	\$ 2,763,027	\$ 2,771,491	\$ 8,464	\$ 23,264,132	\$ 23,264,132	\$ 23,352,482	\$ 88,350
Other tax items	25,000	25,000	25,945	945	24,091	24,091	529,152	505,061
Non-property taxes	2,010,000	2,010,000	2,125,968	115,968	-	-	-	-
Departmental income	583,160	695,160	763,991	68,831	1,065,000	1,065,000	978,564	(86,436)
Intergovernmental charges	-	-	-	-	193,000	193,000	204,410	11,410
Use of money and property	159,000	159,000	153,765	(5,235)	52,000	52,000	22,187	(29,813)
Licenses and permits	36,300	36,300	66,874	30,574	-	-	-	-
Fines and forfeitures	385,000	385,000	354,562	(30,438)	-	-	-	-
Sale of property and compensation for loss	-	-	-	-	13,000	13,000	34,775	21,775
Interfund revenues	3,518,700	3,518,700	3,518,700	-	-	-	-	-
State aid	1,926,427	1,926,427	1,855,976	(70,451)	88,500	88,500	97,709	9,209
Federal aid	-	-	26,623	26,623	-	-	33,239	33,239
Miscellaneous	5,000	5,000	41,957	36,957	180,000	180,000	499,469	319,469
Total Revenues	11,411,614	11,523,614	11,705,852	182,238	24,879,723	24,879,723	25,751,987	872,264
EXPENDITURES								
Current:								
General government support	5,295,054	5,008,036	4,595,627	412,409	2,378,400	3,145,069	3,142,536	2,533
Public safety	172,748	190,048	184,755	5,293	15,206,931	15,160,620	15,048,065	112,555
Health	65,000	67,200	67,140	60	-	-	-	-
Transportation	667,232	650,232	473,882	176,350	442,000	478,423	478,423	-
Economic opportunity and development	158,773	158,773	157,561	1,212	-	-	-	-
Culture and recreation	2,475,115	2,544,715	2,499,466	45,249	-	-	-	-
Home and community services	181,550	206,951	183,398	23,553	1,039,422	1,124,654	1,124,654	-
Employee benefits	2,708,600	3,071,417	2,966,537	104,880	7,022,400	7,023,350	6,981,465	41,885
Debt service- Interest	-	-	-	-	-	-	-	-
Total Expenditures	11,724,072	11,897,372	11,128,366	769,006	26,089,153	26,932,116	26,775,143	156,973
Excess (Deficiency) of Rev- enues Over Expenditures	(312,458)	(373,758)	577,486	951,244	(1,209,430)	(2,052,393)	(1,023,156)	1,029,237
OTHER FINANCING SOURCES (USES)								
Bonds issued	-	-	-	-	-	767,129	1,500,000	732,871
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(38,700)	(38,661)	39	-	-	-	-
Total Other Financing Sources (Uses)	-	(38,700)	(38,661)	39	-	767,129	1,500,000	732,871
Net Change in Fund Balances	(312,458)	(412,458)	538,825	951,283	(1,209,430)	(1,285,264)	476,844	1,762,108
Fund Balances - Beginning of Year	312,458	412,458	6,775,077	6,362,619	1,209,430	1,285,264	4,758,184	3,472,920
Fund Balances - End of Year	\$ -	\$ -	\$ 7,313,902	\$ 7,313,902	\$ -	\$ -	\$ 5,235,028	\$ 5,235,028

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

Sewer				Highway			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,120,270	\$ 6,120,270	\$ 6,122,778	\$ 2,508	\$ 9,300,183	\$ 9,300,183	\$ 9,300,466	\$ 283
-	-	-	-	-	-	-	-
790,000	934,861	945,965	11,104	-	-	-	-
905,000	1,067,964	1,067,964	-	230,812	230,812	121,892	(108,920)
12,000	12,000	3,131	(8,869)	34,000	34,000	8,335	(25,665)
-	-	-	-	-	-	-	-
-	-	-	-	20,000	20,000	85,925	65,925
-	-	-	-	-	-	23,727	23,727
-	6,342	620	(5,722)	214,941	257,501	473,109	215,608
-	38,956	3,809	(35,147)	-	261,440	179,372	(82,068)
-	-	12,911	12,911	6,000	6,000	105,455	99,455
7,827,270	8,180,393	8,157,178	(23,215)	9,805,936	10,109,936	10,298,281	188,345
766,600	765,320	765,320	-	899,500	899,480	899,165	315
-	-	-	-	-	-	-	-
-	-	-	-	6,802,103	7,198,691	7,183,290	15,401
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,730,911	6,238,264	6,238,264	-	-	-	-	-
1,693,100	1,534,150	1,534,150	-	2,147,400	2,160,222	2,130,563	29,659
12,000	18,000	18,000	-	-	-	-	-
8,202,611	8,555,734	8,555,734	-	9,849,003	10,258,393	10,213,018	45,375
(375,341)	(375,341)	(398,556)	(23,215)	(43,067)	(148,457)	85,263	233,720
-	-	-	-	-	-	-	-
-	-	-	-	-	-	38,661	38,661
-	-	-	-	-	-	-	-
-	-	-	-	-	-	38,661	38,661
(375,341)	(375,341)	(398,556)	(23,215)	(43,067)	(148,457)	123,924	272,381
375,341	375,341	1,222,895	847,554	43,067	148,457	3,203,781	3,055,324
\$ -	\$ -	\$ 824,339	\$ 824,339	\$ -	\$ -	\$ 3,327,705	\$ 3,327,705

TOWN OF ORANGETOWN, NEW YORK

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Blue Hill Golf Course	Broad Acres Golf Course	Totals	
ASSETS				
Current Assets:				
Cash and equivalents	\$ 609,240	\$ 90,180	\$ 699,420	\$ 1,382,340
Receivables:				
Accounts	41,331	3,047	44,378	75,410
Due from other funds	-	-	-	1,037,771
Prepaid expenses	50,888	9,490	60,378	172,643
Total Current Assets	701,459	102,717	804,176	2,668,164
Noncurrent Assets:				
Deferred charges, net of accumulated amortization of \$17,041	22,479	-	22,479	-
Capital assets:				
Land	3,071,006	2,382,819	5,453,825	-
Buildings and improvements	835,062	352,216	1,187,278	-
Improvements and other than buildings	6,284,072	259,721	6,543,793	-
Machinery and equipment	1,621,413	174,510	1,795,923	-
	11,811,553	3,169,266	14,980,819	-
Less - Accumulated depreciation	(5,275,542)	(357,891)	(5,633,433)	-
	6,536,011	2,811,375	9,347,386	-
Total Noncurrent Assets	6,558,490	2,811,375	9,369,865	-
Total Assets	7,259,949	2,914,092	10,174,041	2,668,164
LIABILITIES				
Current Liabilities:				
Accounts payable	32,630	10,944	43,574	812,554
Accrued interest payable	19,364	60,233	79,597	-
Due to other governments	2,705	209	2,914	-
Due to other funds	500,511	30,331	530,842	-
Advances from other funds	2,517,288	1,850,131	4,367,419	-
Deferred revenues	45,561	-	45,561	-
Current maturities of bonds payable	471,333	81,042	552,375	-
Current portion of compensated absences	7,500	1,000	8,500	-
Current portion of claims payable	-	-	-	674,000
Total Current Liabilities	3,596,892	2,033,890	5,630,782	1,486,554
Noncurrent Liabilities:				
Bonds payable, less current maturities	2,229,100	2,614,344	4,843,444	-
Compensated absences, less current portion	67,696	9,388	77,084	-
Claims payable, less current portion	-	-	-	395,200
Other post employment benefit obligations payable	846,408	265,941	1,112,349	-
Total Noncurrent Liabilities	3,143,204	2,889,673	6,032,877	395,200
Total Liabilities	6,740,096	4,923,563	11,663,659	1,881,754
NET ASSETS (DEFICITS)				
Invested in Capital Assets, net of related debt	3,983,201	115,989	4,099,190	-
Unrestricted	(3,463,348)	(2,125,460)	(5,588,808)	786,410
Total Net Assets (Deficits)	\$ 519,853	\$ (2,009,471)	\$ (1,489,618)	\$ 786,410

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 ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Blue Hill Golf Course	Broad Acres Golf Course	Totals	
Operating Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ 1,485,280
Insurance recoveries	-	-	-	331,420
Greens fees	1,882,831	459,147	2,341,978	-
Cart rental	529,508	92,685	622,193	-
Facility rental	19,868	-	19,868	-
Permit cards	159,460	5,941	165,401	-
State aid	-	427	427	-
Federal aid	-	2,620	2,620	-
Other income	3,388	-	3,388	-
Total Operating Revenues	2,595,055	560,820	3,155,875	1,816,700
Operating Expenses:				
Personal services	995,905	392,571	1,388,476	-
Landscaping materials	72,689	35,475	108,164	-
Office expenses and printing	4,104	849	4,953	-
Rental of equipment	84,234	16,209	100,443	-
Automobile maintenance and supplies	76,464	20,442	96,906	-
Repairs and maintenance	19,075	9,964	29,039	-
Utilities	66,692	16,531	83,223	-
Chemicals	131,553	34,616	166,169	-
Insurance	-	-	-	907,337
Contractual and other	637,115	201,277	838,392	140,419
Employee benefits	726,602	207,966	934,568	367,115
Judgments and claims	-	-	-	321,437
Depreciation and amortization	350,649	37,869	388,518	-
Total Operating Expenses	3,165,082	973,769	4,138,851	1,736,308
Income (Loss) from Operations	(570,027)	(412,949)	(982,976)	80,392
Non-Operating Revenues (Expenses):				
Interest income	3,045	83	3,128	4,071
Interest expense	(101,948)	(120,466)	(222,414)	-
Total Non-Operating Revenues (Expenses)	(98,903)	(120,383)	(219,286)	4,071
Income (Loss) Before Transfers	(668,930)	(533,332)	(1,202,262)	84,463
Transfers in	101,241	200,208	301,449	-
Change in Net Assets	(567,689)	(333,124)	(900,813)	84,463
Net Assets (Deficits) - Beginning of Year	1,087,542	(1,676,347)	(588,805)	701,947
Net Assets (Deficits) - End of Year	\$ 519,853	\$ (2,009,471)	\$ (1,489,618)	\$ 786,410

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, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Blue Hill Golf Course	Broad Acres Golf Course	Totals	
Cash Flows From Operating Activities:				
Cash received from charges for services	\$ 4,580,131	\$ 721,057	\$ 5,301,188	\$ 1,563,143
Cash received from insurance recoveries	-	-	-	256,010
Cash payments to vendors	(1,345,882)	(148,778)	(1,494,660)	-
Cash payments to insurance carriers and claimants	-	-	-	(1,573,342)
Cash payments to employees	(1,474,129)	(533,324)	(2,007,453)	-
Net Cash Provided by Operating Activities	1,760,120	38,955	1,799,075	245,811
Cash Flows From Non-Capital Financing Activities - Transfers in	101,241	200,208	301,449	-
Cash Flows From Capital and Related Financing Activities:				
Principal paid on bonds	(455,683)	(78,040)	(533,723)	-
Interest paid on indebtedness	(110,871)	(122,168)	(233,039)	-
Acquisition and construction of capital assets	(1,412,484)	-	(1,412,484)	-
Net Cash Used in Capital and Related Financing Activities	(1,979,038)	(200,208)	(2,179,246)	-
Cash Flows From Investing Activities - Interest income	3,045	83	3,128	4,071
Net Increase (Decrease) in Cash and Equivalents	(114,632)	39,038	(75,594)	249,882
Cash and Equivalents - Beginning of Year	723,872	51,142	775,014	1,132,458
Cash and Equivalents - End of Year	\$ 609,240	\$ 90,180	\$ 699,420	\$ 1,382,340
Reconciliation of Income (Loss) from Operations to Net Cash Provided by Operating Activities:				
Income (loss) from operations	\$ (570,027)	\$ (412,949)	\$ (982,976)	\$ 80,392
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:				
Depreciation and amortization	350,649	37,869	388,518	-
Changes in assets and liabilities:				
Accounts receivable	11,391	(3,047)	8,344	(75,410)
Due from other funds	1,933,132	163,284	2,096,416	77,863
Prepaid expenses	(27,686)	(2,549)	(30,235)	39,816
Accounts payable	(1,013)	(5,290)	(6,303)	235,947
Due to other governments	1,729	(2,844)	(1,115)	-
Due to other funds	(788,836)	(108,458)	(897,294)	(100,130)
Advances from other funds	561,850	303,177	865,027	-
Deferred revenues	40,553	-	40,553	-
Compensated absences	28,399	(3,174)	25,225	-
Claims payable	-	-	-	(12,667)
Other post employment benefit obligations payable	219,979	72,936	292,915	-
Net Cash Provided by Operating Activities	\$ 1,760,120	\$ 38,955	\$ 1,799,075	\$ 245,811
Non-Cash Capital and Related Financing Activities:				
Refunding bonds issued	\$ 800,000	\$ -	\$ 800,000	\$ -
Issuance premium	38,372	-	38,372	-
Payment to refunded bond escrow agent	(820,000)	-	(820,000)	-
Refunding bond issuance costs	(18,372)	-	(18,372)	-

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, 2011

ASSETS

	<u>Agency</u>
Cash - Demand deposits	\$ 104,246
Accounts Receivable	<u>720,787</u>
Total Assets	<u><u>\$ 825,033</u></u>

LIABILITIES

Deposits	<u><u>\$ 825,033</u></u>
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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 both 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 Assets 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 Assets 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, liabilities, fund balances/net assets, 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 page following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Town's resources are reflected in the fund financial statements

Note 1 - Summary of Significant Accounting Policies (Continued)

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 or committed 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.

Sewer Fund - The Sewer Fund is used 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 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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Broad Acres Golf Course are recorded as major enterprise funds. The Town has established its Workers' Compensation Benefits and Risk Retention funds as internal service funds. The Town applies all applicable Financial Accounting Standards Board ("FASB") guidance issued after November 30, 1989 in accounting and reporting for its enterprise operations.
- 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 reports.

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 and 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.

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. A ninety day availability period is used for revenue recognition for all other

Note 1 - Summary of Significant Accounting Policies (Continued)

governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. 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 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.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

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 and Net Assets or Fund Balances

Deposits and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Town's 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. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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.

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, 2011.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Town was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate risk or credit risk.

Restricted Investments - Restricted investments of the Capital Projects Fund consist of bond proceeds held by a State agency. These funds are to be used for the Town's Capital Projects Fund sewer reconstruction and trunk sewer emergency work projects. The component unit's restricted investments include rent security deposits required from tenants according to the terms of the lease agreements. In addition, certain proceeds from the Housing Authority revenue bonds, as well as certain other resources, are set aside pursuant to the terms of the bond indenture.

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, 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.

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, 2011, 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.

Advances To/From Other Funds - Advances to/from other funds represent loans to other funds, which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by nonspendable fund balance in the fund financial statements which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

Inventories - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventorable 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 year's 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.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Charges - Deferred charges in the government-wide financial statements represent the unamortized portion of the cost of issuance of Housing Authority revenue bonds, as well as bonds issued by the Town. These costs are being amortized over the term of the respective bond issues.

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 estimated fair market 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).

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/Deferred Revenues - Unearned/deferred 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.

Deferred 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 deferred revenues of \$420,000 for donations received in advance in the Capital Projects Fund, \$127,115 for State and Federal aid reimbursements in the Highway Fund and

Note 1 - Summary of Significant Accounting Policies (Continued)

\$40,869 for State and Federal aid reimbursements in the Sewer Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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 Assets. Bond premiums and discounts, as well as issuance costs, 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 amortized over the term of the related debt.

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 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 Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their 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 assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, law enforcement, debt service, workers' compensation benefits, risk retention and special revenue funds. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and current liabilities. 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 to be 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 will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law.

Note 1 - Summary of Significant Accounting Policies (Continued)

Committed fund balance will be 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. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the entity's governing board.

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is 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 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 and liabilities 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 May 7, 2012.

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.
- 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 non-major Special Districts and 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 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 non-major Special Districts and 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 Town Board.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 2 - Stewardship, Compliance and Accountability (Continued)**B. Property Tax Limitation**

The Town is not limited as to the maximum amount of real property taxes which may be raised (See Note 5).

C. Application of Accounting Standards

For the year ended December 31, 2011, the Town implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB 54"). GASB 54 changed the terminology and classification of fund balance to reflect spending constraints on resources, rather than the availability for appropriations. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

D. Excess of Actual Expenditures Over Budget

The following projects in the Capital Projects Fund exceeded their budgetary authorizations by the amounts indicated:

Rockland Psychiatric Center Playing Fields	\$	29,624
Highway Vehicles - 2009		166,353

E. Fund Deficits

The undesignated deficit in the Capital Projects Fund of \$4,579,737 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes issued are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficit, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

The following funds have unrestricted deficits at December 31, 2011:

Special Districts Fund -		
South Orangetown Ambulance District	\$	340
Enterprise Funds:		
Blue Hill Golf Course		3,431,392
Broad Acres Golf Course		2,125,460

These deficits will be addressed in the ensuing years.

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**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, 2011 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 1,643,100
Town Outside Villages	-	1,019,454
Sewer	477,779	54
Highway	2,886,741	-
Debt Service	1,283,604	-
Capital Projects	-	2,495,772
Non-Major Government Funds	31,212	27,885
Blue Hill Golf Course	-	500,511
Broad Acres Golf Course	-	30,331
Internal Service Funds	1,037,771	-
	<u>\$ 5,717,107</u>	<u>\$ 5,717,107</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. Advances To/From Other Funds

The balances reflected as advances to/from other funds at December 31, 2011 were as follows:

<u>Fund</u>	<u>Advance To</u>	<u>Advance From</u>
General	\$ 4,367,419	\$ -
Blue Hill Golf Course	-	2,517,288
Broad Acres Golf Course	-	1,850,131
	<u>\$ 4,367,419</u>	<u>\$ 4,367,419</u>

The outstanding balances between funds represent loans which are not expected to be repaid within the subsequent operating cycle.

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)****C. Capital Assets**

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

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 16,945,317	\$ -	\$ -	\$ 16,945,317
Construction-in-progress	1,330,752	4,638,899	-	5,969,651
Total Capital Assets, not being depreciated	<u>\$ 18,276,069</u>	<u>\$ 4,638,899</u>	<u>\$ -</u>	<u>\$ 22,914,968</u>
Capital Assets, being depreciated:				
Land improvements	\$ 9,190,277	\$ -	\$ -	\$ 9,190,277
Buildings and improvements	12,698,726	37,120	-	12,735,846
Infrastructure	158,668,950	77,854	-	158,746,804
Machinery and equipment	22,203,868	436,433	20,000	22,620,301
Total Capital Assets, being depreciated	<u>202,761,821</u>	<u>551,407</u>	<u>20,000</u>	<u>203,293,228</u>
Less Accumulated Depreciation for:				
Land improvements	2,578,551	497,184	-	3,075,735
Buildings and improvements	4,317,978	317,875	-	4,635,853
Infrastructure	62,338,112	3,263,269	-	65,601,381
Machinery and equipment	11,761,044	1,697,135	20,000	13,438,179
Total Accumulated Depreciation	<u>80,995,685</u>	<u>5,775,463</u>	<u>20,000</u>	<u>86,751,148</u>
Total Capital Assets, being depreciated, net	<u>\$ 121,766,136</u>	<u>\$ (5,224,056)</u>	<u>\$ -</u>	<u>\$ 116,542,080</u>
Governmental Activities Capital Assets, net	<u>\$ 140,042,205</u>	<u>\$ (585,157)</u>	<u>\$ -</u>	<u>\$ 139,457,048</u>

TOWN OF ORANGETOWN, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance January 1, 2011	Additions	Balance December 31, 2011
Business-type Activities:			
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	5,294,711	1,249,082	6,543,793
Machinery and equipment	<u>1,632,521</u>	<u>163,403</u>	<u>1,795,924</u>
Total Capital Assets, being depreciated	<u>8,114,510</u>	<u>1,412,485</u>	<u>9,526,995</u>
Less Accumulated Depreciation for:			
Buildings and improvements	727,086	21,886	748,972
Improvements other than buildings	3,078,086	276,472	3,354,558
Machinery and equipment	<u>1,443,218</u>	<u>86,686</u>	<u>1,529,904</u>
Total Accumulated Depreciation	<u>5,248,390</u>	<u>385,044</u>	<u>5,633,434</u>
Total Capital Assets, being depreciated, net	<u>\$ 2,866,120</u>	<u>\$ 1,027,441</u>	<u>\$ 3,893,561</u>
Business-type Activities Capital Assets, net	<u>\$ 8,319,945</u>	<u>\$ 1,027,441</u>	<u>\$ 9,347,386</u>

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

Governmental Activities:	
General Government Support	\$ 186,456
Public Safety	291,197
Transportation	2,029,598
Culture and Recreation	661,118
Home and Community Services	<u>2,607,094</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,775,463</u>
Business-type Activities:	
Blue Hill Golf Course	\$ 347,175
Broad Acres Golf Course	<u>37,869</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 385,044</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)****Capital Assets - Component Unit**

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

	Balance January 1, 2011	Additions	Balance December 31, 2011
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>\$ 7,096,139</u>	<u>\$ 126,545</u>	<u>\$ 7,222,684</u>
Machinery and equipment	<u>208,241</u>	<u>15,052</u>	<u>223,293</u>
Total Capital Assets, being depreciated	<u>7,304,380</u>	<u>141,597</u>	<u>7,445,977</u>
Less Accumulated Depreciation for:			
Buildings and improvements	<u>3,544,995</u>	<u>203,999</u>	<u>3,748,994</u>
Machinery and equipment	<u>195,007</u>	<u>10,557</u>	<u>205,564</u>
Total Accumulated Depreciation	<u>3,740,002</u>	<u>214,556</u>	<u>3,954,558</u>
Total Capital Assets, being depreciated, net	<u>\$ 3,564,378</u>	<u>\$ (72,959)</u>	<u>\$ 3,491,419</u>
Housing Authority Capital Assets, net	<u>\$ 5,533,433</u>	<u>\$ (72,959)</u>	<u>\$ 5,460,474</u>

D. Accrued Liabilities

Accrued liabilities at December 31, 2011 were as follows:

	Fund
	Town Outside Villages
Payroll and Employee Benefits	<u>\$ 290,563</u>

E. Pension Plans

The primary government 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") ("Systems"). These Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Funding Policy - The Systems are non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and a regular pension contribution. Contribution rates for the plan year ended March 31, 2012 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I 41J	21.5%
	2 75I 41J	19.7
	3 A14 41J	15.8
	4 A15 41J	15.8
	5 A15 41J	12.7
PFRS	1 384E	26.5
	2 384E	21.3

Contributions made to the Systems for the current and two preceding years were as follows:

	<u>ERS</u>	<u>PFRS</u>
2011	\$ 2,155,802	\$ 2,333,417
2010	1,570,139	2,361,137
2009	1,167,213	1,353,707

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

The current ERS contribution for the Town was charged to the funds identified below. The current PFRS contribution was charged to the Town Outside Villages Fund - Police.

<u>Fund/Sub-Fund</u>	<u>Amount</u>
General	\$ 652,662
Town Outside Villages - Police	141,205
Town Outside Villages - Other	139,077
Sewer	460,184
Highway - Part-Town	310,539
Highway - Town-Wide	298,361
Blue Hill Golf Course	118,364
Broad Acres Golf Course	35,410
	<u>\$ 2,155,802</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)**F. Short-Term Capital Borrowings**

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance January 1, 2011	New Issues	Redemptions	Balance December 31, 2011
Governmental Type Activities -							
Capital Projects Fund -							
Bond Anticipation Notes:							
Sewer Reconstruction - 2005/2006	09/30/2009	-	- %	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -
Sludge Handling Facility	09/21/2011	09/27/2012	1.75	-	1,800,000	-	1,800,000
				<u>1,200,000</u>	<u>1,800,000</u>	<u>1,200,000</u>	<u>1,800,000</u>
Loans Payable:							
Sewer Reconstruction - 2005/2006	11/18/2010	-	-	1,499,500	-	1,499,500	-
Sewer Reconstruction - 2005/2006	11/18/2010	-	-	1,499,500	-	1,499,500	-
				<u>2,999,000</u>	<u>-</u>	<u>2,999,000</u>	<u>-</u>
				<u>\$ 4,199,000</u>	<u>\$ 1,800,000</u>	<u>\$ 4,199,000</u>	<u>\$ 1,800,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$18,000 were recorded in the fund financial statements in the Sewer Fund.

Interest expense of \$22,238 was recorded in the government-wide financial statements for governmental activities.

G. Long-Term Indebtedness

The following table summarizes changes in the primary government's and component unit's long-term indebtedness for the year ended December 31, 2011:

	Balance January 1, 2011	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2011	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Capital Construction	\$ 62,521,574	\$ 3,369,194	\$ 2,636,276	\$ 63,254,492	\$ 2,682,625
Other	1,150,000	1,500,000	110,000	2,540,000	400,000
	<u>63,671,574</u>	<u>4,869,194</u>	<u>2,746,276</u>	<u>65,794,492</u>	<u>3,082,625</u>
Add: Bond premium	<u>282,636</u>	<u>-</u>	<u>17,993</u>	<u>264,643</u>	<u>-</u>
	<u>63,954,210</u>	<u>4,869,194</u>	<u>2,764,269</u>	<u>66,059,135</u>	<u>3,082,625</u>

TOWN OF ORANGETOWN, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance January 1, 2011	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2011	Due Within One Year
Energy Performance Contract Payable	\$ 2,100,000	\$ -	\$ 89,845	\$ 2,010,155	\$ 120,120
	<u>66,054,210</u>	<u>4,869,194</u>	<u>2,854,114</u>	<u>68,069,290</u>	<u>3,202,745</u>
Other Noncurrent Liabilities:					
Compensated Absences	1,954,413	869,868	195,000	2,629,281	263,000
Claims Payable	1,848,996	688,552	1,468,348	1,069,200	674,000
Other Post Employment Benefit Obligations Payable	<u>17,643,289</u>	<u>7,984,087</u>	<u>2,271,572</u>	<u>23,355,804</u>	<u>-</u>
Total Other Noncurrent Liabilities	<u>21,446,698</u>	<u>9,542,507</u>	<u>3,934,920</u>	<u>27,054,285</u>	<u>937,000</u>
Governmental Activities Long-Term Liabilities	<u>\$ 87,500,908</u>	<u>\$ 14,411,701</u>	<u>\$ 6,789,034</u>	<u>\$ 95,123,575</u>	<u>\$ 4,139,745</u>
Business-Type Activities:					
Bonds Payable -					
Capital Construction	\$ 5,913,426	\$ 800,000	\$ 1,353,723	\$ 5,359,703	\$ 552,375
Add: Deferred charges	<u>-</u>	<u>38,373</u>	<u>2,257</u>	<u>36,116</u>	<u>-</u>
	<u>5,913,426</u>	<u>838,373</u>	<u>1,355,980</u>	<u>5,395,819</u>	<u>552,375</u>
Other Noncurrent Liabilities:					
Compensated Absences	60,359	31,325	6,100	85,584	8,500
Other Post Employment Benefit Obligations Payable	<u>819,434</u>	<u>316,131</u>	<u>23,216</u>	<u>1,112,349</u>	<u>-</u>
Total Other Noncurrent Liabilities	<u>879,793</u>	<u>347,456</u>	<u>29,316</u>	<u>1,197,933</u>	<u>8,500</u>
Business-Type Activities Long-Term Liabilities	<u>\$ 6,793,219</u>	<u>\$ 1,185,829</u>	<u>\$ 1,385,296</u>	<u>\$ 6,593,752</u>	<u>\$ 560,875</u>
Housing Authority - Component Unit - Revenue Bonds Payable	<u>\$ 6,647,173</u>	<u>\$ -</u>	<u>\$ 175,176</u>	<u>\$ 6,471,997</u>	<u>\$ 599,920</u>

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

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

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

Bonds payable at December 31, 2011 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2011
Public Improvements	1998	\$ 2,039,000	August, 2012	4.5000 %	\$ 190,000
Public Improvements	2001	1,555,000	April, 2013	4.5000	320,000
Sewer Improvements	2001	1,025,000	November, 2021	0.8360 - 3.4200	990,000
Sewer Reconstruction	2002	5,775,000	May, 2024	5.2513 - 6.1813	3,875,000
Public Improvements	2004	3,925,500	July, 2019	3.5000 - 4.0000	2,345,000
Refunding Bonds -					
Blue Hill Golf Course	2005	1,885,000	February, 2014	3.5000 - 3.7500	630,000
Public Improvements	2008	45,480,718	April, 2038	4.2700	42,115,000
Public Improvements	2008	1,942,500	January, 2032	4.3750 - 4.5000	1,794,615
Broad Acres Golf Course	2008	2,917,500	January, 2032	4.3750 - 4.5000	2,695,386
Tax Certiorari Refunds	2009	1,255,000	December, 2019	1.5000 - 3.0000	1,040,000
Public Improvements	2010	8,695,000	September, 2026	2.0000 - 3.0000	8,255,683
Blue Hill Golf Course	2010	1,300,000	September, 2026	3.0000	1,234,317
Judgment	2011	1,500,000	November, 2016	2.0000 - 3.0000	1,500,000
Public Improvements	2011	3,369,194	November, 2040	0.2810 - 4.7460	3,369,194
Refunding Bonds -					
Blue Hill Golf Course	2011	800,000	November, 2015	2.0000 - 3.0000	800,000
					<u>\$ 71,154,195</u>

Interest expenditures of \$1,559,159 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$101,948 and \$120,466 was recorded in the fund financial statements in the Enterprise Funds - Blue Hill Golf Course and Broad Acres Golf Course, respectively, and the government-wide financial statements for business-type activities and interest expense of \$1,535,231 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 \$125,468 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, 2011 was \$2,010,055.

TOWN OF ORANGETOWN, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded and energy performance contract debt outstanding of the primary government as of December 31, 2011, including interest payments of \$36,900,602 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				
2012	\$ 3,082,625	\$ 2,622,082	\$ 552,375	\$ 193,358	\$ 120,120	\$ 95,193	\$ 3,755,120	\$ 2,910,633
2013	2,978,865	2,515,198	565,329	175,155	126,044	89,269	3,670,238	2,779,622
2014	2,889,719	2,416,131	565,281	158,344	132,260	83,053	3,587,260	2,657,528
2015	2,964,116	2,308,748	375,884	142,335	138,783	76,530	3,478,783	2,527,613
2016	3,049,164	2,196,889	170,836	129,542	-	-	3,220,000	2,326,431
2017-2021	13,839,312	9,272,438	960,688	540,409	803,585	272,980	15,603,585	10,085,827
2022-2026	12,756,215	6,528,267	1,148,784	335,610	689,363	64,232	14,594,362	6,928,109
2027-2031	9,523,573	4,215,821	831,428	120,096	-	-	10,355,001	4,335,917
2032-2036	10,100,903	2,104,939	189,098	-	-	-	10,290,001	2,104,939
2037-2040	4,610,000	243,983	-	-	-	-	4,610,000	243,983
	<u>\$ 65,794,492</u>	<u>\$ 34,424,496</u>	<u>\$ 5,359,703</u>	<u>\$ 1,794,849</u>	<u>\$ 2,010,155</u>	<u>\$ 681,257</u>	<u>\$ 73,164,350</u>	<u>\$ 36,900,602</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.

Advance Refunding

During the 2011 fiscal year, the Town issued \$800,000 in serial bonds with interest rates ranging from 2.0% to 3.0%, depending on maturity. The proceeds were used to advance refund \$820,000 of Blue Hill Golf Course 2000 serial bonds bearing interest at rates ranging from 4.75% to 5.0%. The net proceeds of \$820,000 (net of \$38,372 re-offering premium and after payment of \$18,372 in underwriting fees and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2000 Blue Hill Golf Course serial bonds. As a result, the 2000 Blue Hill Golf Course serial bonds are considered defeased and the liability for that serial bond has been removed from the Statement of Net Assets. The premium received was \$38,372. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

The Town refunded the 2000 Blue Hill Golf Course serial bonds to reduce its total debt service payments by \$67,683 and to obtain a net present value economic gain of \$67,566.

At December 31, 2011, the full amount of bonds outstanding are considered defeased.

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

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

not included in the Town's financial statements. At December 31, 2011, \$2,220,000 of bonds outstanding are considered defeased.

Component Unit Debt - Revenue Bonds Payable

Long-term indebtedness of the Housing Authority at December 31, 2011 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding at December 31, 2011</u>
Refunding Bonds	1992	8,716,245	2030	2.9 - 6.6 %	<u>\$ 6,471,997</u>

Included in the payment schedule are amounts of \$4,648,683, which represents the future accretion of interest on the bonds. These bonds are obligations of the Housing Authority but are guaranteed by the Town.

The annual requirements to amortize the bonded debt outstanding of the Housing Authority as of December 31, 2011, including accreted interest is as follows:

<u>Year Ended</u>	<u>Amount</u>
2012	\$ 599,920
2013	603,210
2014	600,516
2015	600,413
2016-2030	<u>8,716,621</u>
	<u>\$ 11,120,680</u>

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.

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

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)**

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.

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

	2011		2010	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 644,674	\$ 437,193	\$ 683,107	\$ 509,771
Provision for Claims and Claims Adjustment Expenses	367,115	321,437	283,426	293,709
Claims and Claims Adjustment Expenses Paid	(397,959)	(303,260)	(321,859)	(366,287)
Balance - End of Year	<u>\$ 613,830</u>	<u>\$ 455,370</u>	<u>\$ 644,674</u>	<u>\$ 437,193</u>
Due Within One Year	<u>\$ 313,000</u>	<u>\$ 361,000</u>	<u>\$ 363,959</u>	<u>\$ 298,479</u>

Other Post Employment Benefit Obligations

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit 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. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid within the governmental funds. The Town has recognized revenues and expenditures of \$37,830 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

The Town's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town is required to accrue on the government-wide and proprietary fund financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the expected rate of return on the Town's general assets. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post retirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>	<u>Prescription Drug</u>
2012	9.00 %	7.50 %	8.00 %
2013	8.50	7.50	8.00
2014	8.00	7.50	8.00
2015	7.50	7.50	7.50
2016	7.00	7.00	7.00
2017	6.50	6.50	6.50
2018	6.00	6.00	6.00
2019	5.50	5.50	5.50
2020+	5.00	5.00	5.00

The amortization basis is the level dollar method with an open amortization approach with 26 years remaining in the amortization period. The actuarial assumptions included in 4.0% investment rate of return and a 3.0% inflation rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the projected unit credit method. A separate postemployment benefit plan report is not available.

The number of participants as of December 31, 2011 was as follows:

	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Total</u>
Active Employees	262	13	275
Retired Employees	190	3	193
	<u>452</u>	<u>16</u>	<u>468</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)**

	Governmental Funds	Enterprise Funds	Total
Amortization Component:			
Actuarial Accrued Liability as of January 1, 2011	\$ 97,060,870	\$ 3,133,761	\$ 100,194,631
Assets at Market Value	-	-	-
Unfunded Actuarial Accrued Liability ("UAAL")	\$ 97,060,870	\$ 3,133,761	\$ 100,194,631
Funded Ratio	0.00%	0.00%	0.00%
Covered Payroll (Active plan members)	\$ 26,521,905	\$ 1,388,474	\$ 27,910,379
UAAL as a Percentage of Covered Payroll	365.96%	225.70%	358.99%
Annual Required Contribution	\$ 8,298,668	\$ 330,741	\$ 8,629,409
Interest on Net OPEB Obligation	705,732	32,777	738,509
Adjustments to Annual Required Contribution	(1,020,313)	(47,387)	(1,067,700)
Annual OPEB Cost	7,984,087	316,131	8,300,218
Contributions Made	(2,271,572)	(23,216)	(2,294,788)
Increase in Net OPEB Obligation	5,712,515	292,915	6,005,430
Net OPEB Obligation - Beginning of Year	17,643,289	819,434	18,462,723
Net OPEB Obligation - End of Year	\$ 23,355,804	\$ 1,112,349	\$ 24,468,153

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

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 8,300,218	27.65 %	\$ 24,468,153
2010	8,189,093	25.55	18,462,723
2009	8,230,486	22.40	12,365,644

The schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

H. 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.

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011**Note 3 - Detailed Notes on All Funds (Continued)**

Transfers Out	Transfers In			Total
	Highway Fund	Blue Hill Golf Course Fund	Broad Acres Golf Course Fund	
General Fund	\$ 38,661	\$ -	\$ -	\$ 38,661
Debt Service Fund	-	101,241	200,208	301,449
	<u>\$ 38,661</u>	<u>\$ 101,241</u>	<u>\$ 200,208</u>	<u>\$ 340,110</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Highway, Blue Hill Golf Course and Broad Acres Golf Course funds expenditures/expenses.

I. Net Assets

The components of net assets are detailed below:

Invested in Capital Assets, net of Related Debt - the component of net assets 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 Capital Projects - the component of net assets that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

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

Restricted for Workers' Compensation Benefits - the component of net assets that has been established to set aside funds to be used for a specific purpose in accordance with Section 6j of General Municipal Law.

Restricted for Risk Retention - the component of net assets that has been established to set aside funds to be used for a specific purpose in accordance with Section 6n of General Municipal Law.

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

Unrestricted - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

J. Fund Balances

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NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of reserved fund balance are described above. Those additional elements, which are not reflected in the Statement of Net Assets 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.

Advances have been established to indicate the long-term nature of funds advanced to the Enterprise funds. The amount is classified as nonspendable to indicate that these funds do not represent "available" spendable resources even though they are a component of net 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.

Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. At December 31, 2011, 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. Unassigned fund balances in the Capital Projects Fund represent the deficit balance in the projects.

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.

The Town is a defendant in four separate lawsuits filed by a police officer since 2003; two of these cases relate to discrimination for a failure to promote, and two cases are related to disciplinary charges that the Town filed against the officer. Outside legal counsel handling these cases believe that the Town has a substantial likelihood of prevailing in all of them. The Town's financial risk in these cases, should the police officer prevail, would likely be back-pay and reasonable attorney's fees.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The Town is also one of several defendants in a 2005 wrongful death case where a Town resident was electrocuted outside his home during flooding. Insurance counsel believes the Town has immunity as a municipality for management of flooding issues and that liability, if it exists, lies with electrical contractors who worked on the plaintiff's home and who are co-defendants in the lawsuit. The Town's legal expenses for insurance counsel in this case have already exceeded the Town's \$75,000 self-insurance retention.

In these and 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. 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 \$6 million, which covers all liability and defense costs after a self-insured payment of the first \$75,000.

In addition to the above, there continue to be periodic claims against the Town for property damage due to sewer backups. While these sewer backup cases must be reviewed on a case by case basis, it does not appear that any one of the claims presently pending will result in a judgment against the Town in excess of \$20,000.

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 of Rockland, 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 \$6 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 million per claim. The Town's workers' compensation policy has a self-insured retention level of up to \$175,000 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 Single Audit Act. 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 - Other Matters

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, beginning with the 2012 year. It expires on June 16, 2016.

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.

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 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.

TOWN OF ORANGETOWN, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS
LAST THREE FISCAL YEARS

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll	
	Value of Assets	Accrued Liability					
January 1, 2011	\$ -	\$ 100,194,631	\$ 100,194,631	- %	\$ 27,910,371	358.99	%
January 1, 2010	-	90,013,315	90,013,315	-	28,583,421	314.91	
January 1, 2009	-	91,607,137	91,607,137	-	26,198,421	349.67	

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, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 3,762,406	\$ 3,334,987
Petty cash	1,050	1,050
	<u>3,763,456</u>	<u>3,336,037</u>
Receivables:		
Accounts	325,971	331,610
State and Federal aid	16,547	-
Due from other governments	420,000	1,066,787
Due from other funds	-	5,644,853
Advances to other funds	4,367,419	3,502,392
	<u>5,129,937</u>	<u>10,545,642</u>
Prepaid Expenditures	<u>277,333</u>	<u>188,499</u>
Total Assets	<u>\$ 9,170,726</u>	<u>\$ 14,070,178</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 184,150	\$ 226,539
Due to other governments	29,574	61,849
Due to other funds	1,643,100	7,006,713
Total Liabilities	<u>1,856,824</u>	<u>7,295,101</u>
Fund Balance:		
Nonspendable	4,644,752	3,690,891
Committed	153,799	153,799
Assigned	639,473	312,458
Unassigned	1,875,878	2,617,929
Total Fund Balance	<u>7,313,902</u>	<u>6,775,077</u>
Total Liabilities and Fund Balance	<u>\$ 9,170,726</u>	<u>\$ 14,070,178</u>

TOWN OF ORANGETOWN, NEW YORK

GENERAL FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 2,763,027	\$ 2,763,027	\$ 2,771,491	\$ 8,464
Other tax items	25,000	25,000	25,945	945
Non-property taxes	2,010,000	2,010,000	2,125,968	115,968
Departmental income	583,160	695,160	763,991	68,831
Use of money and property	159,000	159,000	153,765	(5,235)
Licenses and permits	36,300	36,300	66,874	30,574
Fines and forfeitures	385,000	385,000	354,562	(30,438)
Sale of property and compensation for loss	-	-	-	-
Interfund revenues	3,518,700	3,518,700	3,518,700	-
State aid	1,926,427	1,926,427	1,855,976	(70,451)
Federal aid	-	-	26,623	26,623
Miscellaneous	5,000	5,000	41,957	36,957
Total Revenues	11,411,614	11,523,614	11,705,852	182,238
Expenditures:				
Current:				
General government support	5,295,054	5,008,036	4,595,627	412,409
Public safety	172,748	190,048	184,755	5,293
Health	65,000	67,200	67,140	60
Transportation	667,232	650,232	473,882	176,350
Economic opportunity and development	158,773	158,773	157,561	1,212
Culture and recreation	2,475,115	2,544,715	2,499,466	45,249
Home and community services	181,550	206,951	183,398	23,553
Employee benefits	2,708,600	3,071,417	2,966,537	104,880
Debt service - Interest	-	-	-	-
Total Expenditures	11,724,072	11,897,372	11,128,366	769,006
Excess (Deficiency) of Revenues Over Expenditures	(312,458)	(373,758)	577,486	951,244
Other Financing Uses - Transfers out	-	(38,700)	(38,661)	39
Net Change in Fund Balance	(312,458)	(412,458)	538,825	951,283
Fund Balance - Beginning of Year	312,458	412,458	6,775,077	6,362,619
Fund Balance - End of Year	\$ -	\$ -	\$ 7,313,902	\$ 7,313,902

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,496,468	\$ 3,496,468	\$ 3,503,523	\$ 7,055
21,800	21,800	27,471	5,671
1,956,000	1,956,000	2,046,940	90,940
588,080	601,180	665,980	64,800
156,000	156,000	156,580	580
40,000	40,000	49,785	9,785
370,000	370,000	468,383	98,383
-	-	1,100	1,100
3,736,933	3,736,933	3,710,819	(26,114)
1,535,600	1,535,600	1,525,353	(10,247)
-	-	10,841	10,841
16,000	16,000	6,101	(9,899)
11,916,881	11,929,981	12,172,876	242,895
5,334,857	5,102,819	4,992,446	110,373
295,073	270,773	263,938	6,835
50,800	63,200	63,180	20
673,439	681,256	662,919	18,337
151,973	151,973	150,763	1,210
2,386,125	2,375,225	2,214,644	160,581
187,938	173,938	162,700	11,238
2,310,600	2,253,570	2,250,982	2,588
165,000	176,000	175,237	763
11,555,805	11,248,754	10,936,809	311,945
361,076	681,227	1,236,067	554,840
(379,586)	(713,554)	(533,965)	179,589
(18,510)	(32,327)	702,102	734,429
18,510	32,327	6,072,975	6,040,648
\$ -	\$ -	\$ 6,775,077	\$ 6,775,077

TOWN OF ORANGETOWN, NEW YORK

GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
REAL PROPERTY TAXES	\$ 2,763,027	\$ 2,763,027	\$ 2,771,491	\$ 8,464	\$ 3,503,523
OTHER TAX ITEMS					
Interest and penalties on real property taxes	25,000	25,000	25,945	945	27,471
NON-PROPERTY TAXES					
Franchise fees	580,000	580,000	648,077	68,077	609,574
Non-property tax distribution from County	1,430,000	1,430,000	1,477,891	47,891	1,437,366
	2,010,000	2,010,000	2,125,968	115,968	2,046,940
DEPARTMENTAL INCOME					
Town Clerk fees	17,000	17,000	14,923	(2,077)	18,269
Engineering fees	6,000	6,000	53,616	47,616	16,934
Parks and recreation charges	560,000	672,000	695,302	23,302	630,457
Public safety fees	160	160	150	(10)	320
	583,160	695,160	763,991	68,831	665,980
USE OF MONEY AND PROPERTY					
Earnings on investments	28,000	28,000	15,518	(12,482)	22,668
Rental of real property	131,000	131,000	138,247	7,247	133,912
	159,000	159,000	153,765	(5,235)	156,580
LICENSES AND PERMITS					
Bingo licenses	3,300	3,300	2,809	(491)	2,806
Dog licenses	3,000	3,000	4,515	1,515	3,049
Permits	23,000	23,000	47,300	24,300	29,280
Sanitation licenses	7,000	7,000	12,250	5,250	14,650
	36,300	36,300	66,874	30,574	49,785

FINES AND FORFEITURES

Fines and forfeited bail	385,000	385,000	354,562	(30,438)	468,383
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SALE OF PROPERTY AND COMPENSATION
FOR LOSS

Sale of equipment	-	-	-	-	1,100
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INTERFUND REVENUES

	3,518,700	3,518,700	3,518,700	-	3,710,819
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STATE AID

Per capita	200,000	200,000	190,000	(10,000)	187,133
Mortgage tax	1,700,000	1,700,000	1,634,535	(65,465)	1,305,450
Youth programs	15,000	15,000	12,702	(2,298)	15,131
School Tax Relief Program	11,427	11,427	14,405	2,978	15,832
Disaster assistance	-	-	4,334	4,334	1,807
	1,926,427	1,926,427	1,855,976	(70,451)	1,525,353

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FEDERAL AID

Disaster assistance	-	-	26,623	26,623	10,841
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MISCELLANEOUS

Other	5,000	5,000	41,957	36,957	6,101
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TOTAL REVENUES

	\$ 11,411,614	\$ 11,523,614	\$ 11,705,852	\$ 182,238	\$ 12,172,876
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TOWN OF ORANGETOWN, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 94,521	\$ 95,278	\$ 94,661	\$ 617	\$ 94,031
Town Justice	547,914	550,084	415,615	134,469	473,511
Supervisor	255,024	261,458	259,368	2,090	257,976
Finance	436,926	436,926	427,568	9,358	434,276
Independent audit	54,000	54,000	54,000	-	52,000
Receiver of Taxes	239,092	220,014	207,863	12,151	254,957
Assessor	493,699	593,699	563,018	30,681	458,532
Board of Assessment Review	8,000	8,000	7,250	750	7,875
Town Clerk	411,945	411,944	403,174	8,770	375,086
Town Attorney	732,738	702,738	612,417	90,321	604,427
Engineer	328,609	328,609	328,119	490	316,879
Buildings	525,472	525,472	468,822	56,650	467,432
Bond issuance costs	5,000	33,000	31,585	1,415	46,924
Central data processing	352,169	352,169	348,175	3,994	346,684
Special items:					
Unallocated insurance	481,600	58,416	-	58,416	417,600
Shared services	306,545	354,429	354,429	-	366,316
Municipal association dues	21,800	21,800	19,563	2,237	17,940
	5,295,054	5,008,036	4,595,627	412,409	4,992,446
PUBLIC SAFETY					
Traffic control	100,175	115,175	112,489	2,686	196,019
Control of animals	72,573	74,873	72,266	2,607	67,919
	172,748	190,048	184,755	5,293	263,938

HEALTH

Substance Abuse Council

65,000	67,200	67,140	60	63,180
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TRANSPORTATION

Superintendent of Highways
Highway garage
Sidewalks

388,102	371,102	363,289	7,813	376,028
129,130	129,130	100,156	28,974	112,074
150,000	150,000	10,437	139,563	174,817
667,232	650,232	473,882	176,350	662,919

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Veterans' services
Senior citizens programs

11,000	11,000	10,000	1,000	10,000
147,773	147,773	147,561	212	140,763

CULTURE AND RECREATION

Recreation administration
Parks
Youth recreation
Special recreation facilities
Community based programs
Town Museum
Celebrations
Adult recreation

381,321	380,118	369,569	10,549	364,573
989,297	948,297	928,129	20,168	752,504
700,586	793,537	787,042	6,495	715,373
120,000	131,945	131,945	-	113,771
43,000	43,000	42,550	450	43,500
116,911	116,911	114,702	2,209	111,739
68,000	68,000	62,622	5,378	58,242
56,000	62,907	62,907	-	54,942
2,475,115	2,544,715	2,499,466	45,249	2,214,644

HOME AND COMMUNITY SERVICES

Sanitation
Land acquisition costs - Rockland County State Hospital

141,550	141,551	118,090	23,461	119,298
40,000	65,400	65,308	92	43,402
181,550	206,951	183,398	23,553	162,700

(Continued)

TOWN OF ORANGETOWN, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 704,000	\$ 652,717	\$ 652,662	\$ 55	\$ 475,354
Social security	410,000	410,000	396,959	13,041	402,011
Hospitalization and dental insurance	1,531,000	1,519,500	1,427,762	91,738	1,295,845
Workers' compensation benefits	61,600	479,200	479,200	-	61,600
Unemployment benefits	2,000	10,000	9,954	46	16,172
	2,708,600	3,071,417	2,966,537	104,880	2,250,982
DEBT SERVICE					
Interest - Bond anticipation notes	-	-	-	-	175,237
	11,724,072	11,897,372	11,128,366	769,006	10,936,809
TOTAL EXPENDITURES					
OTHER FINANCING USES					
Transfers out:					
Capital Projects Fund	-	-	-	-	506,527
Highway Fund	-	38,700	38,661	39	27,438
	-	38,700	38,661	39	533,965
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 11,724,072	\$ 11,936,072	\$ 11,167,027	\$ 769,006	\$ 11,470,774

TOWN OF ORANGETOWN, NEW YORK

TOWN OUTSIDE VILLAGES FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 5,376,562	\$ 6,754,270
Petty cash	300	300
	<u>5,376,862</u>	<u>6,754,570</u>
Receivables:		
Accounts	467,387	139,068
State and Federal aid	-	24,520
Due from other governments	241,072	382,559
Due from other funds	-	1,961,852
	<u>708,459</u>	<u>2,507,999</u>
Prepaid Expenditures	<u>694,687</u>	<u>531,751</u>
Total Assets	<u>\$ 6,780,008</u>	<u>\$ 9,794,320</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 234,963	\$ 933,927
Accrued liabilities	290,563	259,177
Due to other funds	1,019,454	3,843,032
Total Liabilities	<u>1,544,980</u>	<u>5,036,136</u>
Fund Balance:		
Nonspendable	694,687	531,751
Restricted	230,897	255,084
Assigned	4,309,444	3,971,349
Total Fund Balance	<u>5,235,028</u>	<u>4,758,184</u>
Total Liabilities and Fund Balance	<u>\$ 6,780,008</u>	<u>\$ 9,794,320</u>

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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, 2011
 (With Comparative Totals for 2010)

			Totals	
			2011	2010
Revenues:	Police	Other		
Real property taxes	\$ 21,138,667	\$ 2,213,815	\$ 23,352,482	\$ 23,651,402
Other tax items	423,309	105,843	529,152	110,353
Departmental income	162,859	815,705	978,564	1,171,672
Intergovernmental charges	113,163	91,247	204,410	106,001
Use of money and property	19,081	3,106	22,187	39,896
Fines and forfeitures	-	-	-	244,167
Sale of property and compensation for loss	34,775	-	34,775	-
State aid	4,469	93,240	97,709	150,335
Federal aid	33,239	-	33,239	79,741
Miscellaneous	461,288	38,181	499,469	388,862
Total Revenues	22,390,850	3,361,137	25,751,987	25,942,429
Expenditures -				
Current:				
General government support	2,063,367	1,079,169	3,142,536	3,303,903
Public safety	14,060,868	987,197	15,048,065	14,794,688
Transportation	-	478,423	478,423	543,361
Home and community services	-	1,124,654	1,124,654	1,071,104
Employee benefits	6,421,915	559,550	6,981,465	6,628,155
Total Expenditures	22,546,150	4,228,993	26,775,143	26,341,211
Deficiency of Revenues Over Expenditures	(155,300)	(867,856)	(1,023,156)	(398,782)
Other Financing Sources -				
Bonds issued	-	1,500,000	1,500,000	-
Net Change in Fund Balances	(155,300)	632,144	476,844	(398,782)
Fund Balances (Deficits) -				
Beginning of Year	5,201,750	(443,566)	4,758,184	5,156,966
Fund Balances - End of Year	\$ 5,046,450	\$ 188,578	\$ 5,235,028	\$ 4,758,184

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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 21,050,317	\$ 21,050,317	\$ 21,138,667	\$ 88,350
Other tax items	18,273	18,273	423,309	405,036
Departmental income	65,000	65,000	162,859	97,859
Intergovernmental charges	98,000	98,000	113,163	15,163
Use of money and property	45,000	45,000	19,081	(25,919)
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	13,000	13,000	34,775	21,775
State aid	-	-	4,469	4,469
Federal aid	-	-	33,239	33,239
Miscellaneous	180,000	180,000	461,288	281,288
Total Revenues	21,469,590	21,469,590	22,390,850	921,260
Expenditures -				
Current:				
General government support	2,065,900	2,065,900	2,063,367	2,533
Public safety	14,202,236	14,173,423	14,060,868	112,555
Employee benefits	6,410,800	6,463,800	6,421,915	41,885
Total Expenditures	22,678,936	22,703,123	22,546,150	156,973
Excess (Deficiency) of Revenues Over Expenditures	(1,209,346)	(1,233,533)	(155,300)	1,078,233
Fund Balance - Beginning of Year	1,209,346	1,233,533	5,201,750	3,968,217
Fund Balance - End of Year	\$ -	\$ -	\$ 5,046,450	\$ 5,046,450

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 21,259,249	\$ 21,259,249	\$ 21,334,833	\$ 75,584
36,000	36,000	88,289	52,289
50,000	50,000	81,151	31,151
-	-	12,389	12,389
75,000	75,000	34,311	(40,689)
-	-	244,167	244,167
-	-	-	-
8,300	8,300	37,525	29,225
98,000	125,000	79,741	(45,259)
380,000	380,000	388,822	8,822
21,906,549	21,933,549	22,301,228	367,679
2,203,361	2,197,361	2,195,158	2,203
14,255,970	14,139,970	13,793,779	346,191
5,992,800	6,141,800	6,114,322	27,478
22,452,131	22,479,131	22,103,259	375,872
(545,582)	(545,582)	197,969	743,551
545,582	545,582	5,003,781	4,458,199
\$ -	\$ -	\$ 5,201,750	\$ 5,201,750

TOWN OF ORANGETOWN, NEW YORK

TOWN OUTSIDE VILLAGES FUND - POLICE
 SCHEDULE OF REVENUES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
REAL PROPERTY TAXES	\$ 21,050,317	\$ 21,050,317	\$ 21,138,667	\$ 88,350	\$ 21,334,833
OTHER TAX ITEMS					
Payments in lieu of taxes	3,273	3,273	360,748	357,475	3,273
Interest and penalties on real property taxes	15,000	15,000	62,561	47,561	85,016
DEPARTMENTAL INCOME	18,273	18,273	423,309	405,036	88,289
Police fees	65,000	65,000	162,859	97,859	81,151
INTERGOVERNMENTAL CHARGES					
School Resource Officer	98,000	98,000	96,500	(1,500)	-
Gasoline for other governments	-	-	16,663	16,663	12,389
USE OF MONEY AND PROPERTY	98,000	98,000	113,163	15,163	12,389
Earnings on investments	45,000	45,000	19,081	(25,919)	34,311
FINES AND FORFEITURES					
Forfeiture of crime proceeds	-	-	-	-	244,167
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of equipment	13,000	13,000	34,775	21,775	-

STATE AID					
D.W.I. Program	-	-	-	-	31,479
Disaster Assistance	-	-	-	4,469	-
Other	-	-	-	-	6,046
FEDERAL AID					
	-	-	-	4,469	37,525
Disaster Assistance	-	-	27,449	27,449	76,256
Bulletproof Vest Partnership Grant	-	-	5,790	5,790	3,485
MISCELLANEOUS					
	-	-	33,239	33,239	79,741
Refund of prior year's expenditures	-	-	-	-	15,055
Gifts and donations	10,000	10,000	10,435	435	9,750
County grant - intel	-	-	185,695	185,695	185,694
County grant - narcotics	170,000	170,000	219,468	49,468	171,865
Other	-	-	45,690	45,690	6,458
	180,000	180,000	461,288	281,288	388,822
TOTAL REVENUES	\$ 21,469,590	\$ 21,469,590	\$ 22,390,850	\$ 921,260	\$ 22,301,228

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TOWN OF ORANGETOWN, NEW YORK

TOWN OUTSIDE VILLAGES FUND - POLICE
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
GENERAL GOVERNMENT SUPPORT					
Independent audit	\$ 23,500	\$ 23,500	\$ 23,500	\$ -	\$ 22,600
Unallocated insurance	310,400	310,400	310,400	-	310,400
Metropolitan commuter transportation mobility tax	45,000	45,000	42,467	2,533	36,797
Reimbursement to General Fund for services	1,687,000	1,687,000	1,687,000	-	1,825,361
	2,065,900	2,065,900	2,063,367	2,533	2,195,158
PUBLIC SAFETY					
Police	14,183,616	14,154,505	14,041,950	112,555	13,788,781
Auxiliary police	18,620	18,918	18,918	-	4,998
	14,202,236	14,173,423	14,060,868	112,555	13,793,779
EMPLOYEE BENEFITS					
State retirement	2,370,000	2,475,000	2,474,622	378	2,463,981
Social security	816,000	814,358	814,358	-	800,692
Life insurance	77,000	78,600	78,541	59	71,742
Hospitalization and dental insurance	3,021,000	2,964,242	2,923,176	41,066	2,653,166
Workers' compensation benefits	122,800	122,800	122,800	-	122,800
Unemployment benefits	4,000	8,800	8,418	382	1,941
	6,410,800	6,463,800	6,421,915	41,885	6,114,322
TOTAL EXPENDITURES	\$ 22,678,936	\$ 22,703,123	\$ 22,546,150	\$ 156,973	\$ 22,103,259

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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 2,213,815	\$ 2,213,815	\$ 2,213,815	\$ -
Other tax items	5,818	5,818	105,843	100,025
Departmental income	1,000,000	1,000,000	815,705	(184,295)
Intergovernmental charges	95,000	95,000	91,247	(3,753)
Use of money and property	7,000	7,000	3,106	(3,894)
State aid	88,500	88,500	93,240	4,740
Miscellaneous	-	-	38,181	38,181
Total Revenues	3,410,133	3,410,133	3,361,137	(48,996)
Expenditures -				
Current:				
General government support	312,500	1,079,169	1,079,169	-
Public safety	1,004,695	987,197	987,197	-
Transportation	442,000	478,423	478,423	-
Home and community services	1,039,422	1,124,654	1,124,654	-
Employee benefits	611,600	559,550	559,550	-
Total Expenditures	3,410,217	4,228,993	4,228,993	-
Deficiency of Revenues Over Expenditures	(84)	(818,860)	(867,856)	(48,996)
Other Financing Sources -				
Bonds issued	-	767,129	1,500,000	732,871
Net Change in Fund Balance	(84)	(51,731)	632,144	683,875
Fund Balance (Deficit) - Beginning of Year	84	51,731	(443,566)	(495,297)
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ 188,578	\$ 188,578

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,316,569	\$ 2,316,569	\$ 2,316,569	\$ -
10,000	10,000	22,064	12,064
992,000	992,000	1,090,521	98,521
100,000	100,000	93,612	(6,388)
12,000	12,000	5,585	(6,415)
84,000	84,000	112,810	28,810
-	-	40	40
3,514,569	3,514,569	3,641,201	126,632
336,603	341,623	1,108,745	(767,122)
1,130,746	1,000,909	1,000,909	-
455,000	544,000	543,361	639
1,093,620	1,139,057	1,071,104	67,953
523,600	513,980	513,833	147
3,539,569	3,539,569	4,237,952	(698,383)
(25,000)	(25,000)	(596,751)	(571,751)
-	-	-	-
(25,000)	(25,000)	(596,751)	(571,751)
25,000	25,000	153,185	128,185
\$ -	\$ -	\$ (443,566)	\$ (443,566)

TOWN OF ORANGETOWN, NEW YORK

TOWN OUTSIDE VILLAGES FUND - OTHER
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
REAL PROPERTY TAXES	\$ 2,213,815	\$ 2,213,815	\$ 2,213,815	\$ -	\$ 2,316,569
OTHER TAX ITEMS					
Payments in lieu of taxes	818	818	90,203	89,385	818
Interest and penalties on real property taxes	5,000	5,000	15,640	10,640	21,246
DEPARTMENTAL INCOME	5,818	5,818	105,843	100,025	22,064
Building permit fees	950,000	950,000	741,013	(208,987)	940,764
Zoning fees	20,000	20,000	28,315	8,315	27,535
Planning Board fees	30,000	30,000	46,377	16,377	122,222
INTERGOVERNMENTAL CHARGES	1,000,000	1,000,000	815,705	(184,295)	1,090,521
Recycling services for other governments	95,000	95,000	91,247	(3,753)	93,612
USE OF MONEY AND PROPERTY					
Earnings on investments	7,000	7,000	3,106	(3,894)	5,585
STATE AID					
Per capita	81,000	81,000	75,710	(5,290)	84,000
Other	7,500	7,500	17,530	10,030	28,810
	88,500	88,500	93,240	4,740	112,810

MISCELLANEOUS

Other	-	-	38,181	38,181	40
TOTAL REVENUES	3,410,133	3,410,133	3,361,137	(48,996)	3,641,201
OTHER FINANCING SOURCES					
Bonds issued	-	767,129	1,500,000	732,871	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 3,410,133	\$ 4,177,262	\$ 4,861,137	\$ 683,875	\$ 3,641,201

TOWN OF ORANGETOWN, NEW YORK

TOWN OUTSIDE VILLAGES FUND - OTHER
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED DECEMBER 31, 2011
(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
GENERAL GOVERNMENT SUPPORT					
Independent audit	\$ 4,700	\$ 4,700	\$ 4,700	\$ -	4,500
Unallocated insurance	44,800	44,800	44,800	-	44,800
Judgments and claims	-	767,129	767,129	-	767,129
Metropolitan commuter transportation mobility tax	5,000	4,540	4,540	-	10,013
Reimbursement to General Fund for services	258,000	258,000	258,000	-	282,303
	312,500	1,079,169	1,079,169	-	1,108,745
PUBLIC SAFETY					
Safety inspection	1,004,695	987,197	987,197	-	1,000,909
TRANSPORTATION					
Street lighting	442,000	478,423	478,423	-	543,361
HOME AND COMMUNITY SERVICES					
Zoning Board of Appeals	131,315	130,361	130,361	-	128,586
Historic Area Board of Review	12,129	12,130	12,130	-	12,128
Planning Board	174,304	240,314	240,314	-	191,065
Architectural and Community Board of Review	24,484	24,483	24,483	-	24,484
Refuse and garbage	667,190	700,845	700,845	-	694,204
Shade trees	30,000	16,521	16,521	-	20,637
	1,039,422	1,124,654	1,124,654	-	1,071,104

EMPLOYEE BENEFITS

State retirement	150,000	139,077	139,077	-	101,294
Social security	107,000	102,155	102,155	-	100,040
Hospitalization and dental insurance	336,000	300,718	300,718	-	288,421
Workers' compensation benefits	17,600	17,600	17,600	-	17,600
Unemployment benefits	1,000	-	-	-	6,478
	611,600	559,550	559,550	-	513,833
TOTAL EXPENDITURES	\$ 3,410,217	\$ 4,228,993	\$ 4,228,993	\$ -	\$ 4,237,952

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TOWN OF ORANGETOWN, NEW YORK

SEWER FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash - Demand deposits	\$ 30,005	\$ 452,632
Receivables:		
Accounts	186,492	172,439
State and Federal aid	125,868	85,000
Due from other governments	142,351	-
Due from other funds	477,779	4,315,888
	<u>932,490</u>	<u>4,573,327</u>
Prepaid Expenditures	<u>123,326</u>	<u>90,207</u>
Total Assets	<u>\$ 1,085,821</u>	<u>\$ 5,116,166</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 220,559	\$ 169,990
Accrued liabilities	-	20,648
Due to other funds	54	3,702,633
Deferred revenue	40,869	-
Total Liabilities	<u>261,482</u>	<u>3,893,271</u>
Fund Balance:		
Nonspendable	123,326	90,207
Assigned	<u>701,013</u>	<u>1,132,688</u>
Total Fund Balance	<u>824,339</u>	<u>1,222,895</u>
Total Liabilities and Fund Balance	<u>\$ 1,085,821</u>	<u>\$ 5,116,166</u>

TOWN OF ORANGETOWN, NEW YORK

SEWER FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 6,120,270	\$ 6,120,270	\$ 6,122,778	\$ 2,508
Departmental income	790,000	934,861	945,965	11,104
Intergovernmental charges	905,000	1,067,964	1,067,964	-
Use of money and property	12,000	12,000	3,131	(8,869)
State aid	-	6,342	620	(5,722)
Federal aid	-	38,956	3,809	(35,147)
Miscellaneous	-	-	12,911	12,911
Total Revenues	7,827,270	8,180,393	8,157,178	(23,215)
Expenditures -				
Current:				
General government support:				
Independent audit	9,000	9,000	9,000	-
Unallocated insurance	145,600	145,600	145,600	-
Reimbursement to the General Fund for services	612,000	610,720	610,720	-
	766,600	765,320	765,320	-
Home and community services:				
Sewer administration	854,188	829,810	829,810	-
Sewage collection and industrial pre-treatment	2,011,641	1,944,843	1,944,843	-
Sewage treatment and disposal	2,865,082	3,463,611	3,463,611	-
	5,730,911	6,238,264	6,238,264	-
Employee benefits:				
State retirement	496,000	460,184	460,184	-
Social security	259,000	250,363	250,363	-
Hospitalization and dental insurance	900,500	786,003	786,003	-
Workers' compensation benefits	37,600	37,600	37,600	-
	1,693,100	1,534,150	1,534,150	-
Debt Service - Interest - Bond anticipation notes	12,000	18,000	18,000	-
Total Expenditures	8,202,611	8,555,734	8,555,734	-
Deficiency of Revenues Over Expenditures	(375,341)	(375,341)	(398,556)	(23,215)
Fund Balance - Beginning of Year	375,341	375,341	1,222,895	847,554
Fund Balance - End of Year	\$ -	\$ -	\$ 824,339	\$ 824,339

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,921,012	\$ 5,921,011	\$ 5,923,293	\$ 2,282
610,000	610,000	684,752	74,752
890,000	890,000	1,011,747	121,747
40,000	40,000	9,687	(30,313)
-	-	7,966	7,966
-	-	47,240	47,240
-	-	3,900	3,900
7,461,012	7,461,011	7,688,585	227,574
8,000	8,000	8,000	-
145,600	145,600	145,600	-
590,260	590,260	589,720	540
743,860	743,860	743,320	540
846,620	915,548	915,548	-
2,052,997	1,831,206	1,831,206	-
3,338,222	3,584,374	3,582,331	2,043
6,237,839	6,331,128	6,329,085	2,043
356,000	335,200	335,167	33
247,642	247,642	243,565	4,077
785,263	712,773	709,771	3,002
37,600	37,600	37,600	-
1,426,505	1,333,215	1,326,103	7,112
-	-	-	-
8,408,204	8,408,203	8,398,508	9,695
(947,192)	(947,192)	(709,923)	237,269
947,192	947,192	1,932,818	985,626
\$ -	\$ -	\$ 1,222,895	\$ 1,222,895

TOWN OF ORANGETOWN, NEW YORK

HIGHWAY FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash - Demand deposits	\$ 124,666	\$ 2,270,527
Receivables:		
Accounts	12,732	14,530
State and Federal aid	286,190	-
Due from other governments	127,115	554
Due from other funds	2,886,741	6,145,718
	3,312,778	6,160,802
Prepaid Expenditures	163,180	119,359
Total Assets	\$ 3,600,624	\$ 8,550,688
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 145,804	\$ 178,133
Accrued liabilities	-	141,427
Due to other funds	-	4,973,679
Deferred revenues	127,115	53,668
Total Liabilities	272,919	5,346,907
Fund Balance:		
Nonspendable	163,180	119,359
Assigned	3,164,525	3,084,422
Total Fund Balance	3,327,705	3,203,781
Total Liabilities and Fund Balance	\$ 3,600,624	\$ 8,550,688

TOWN OF ORANGETOWN, NEW YORK

HIGHWAY FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES - SUB-FUNDS

YEAR ENDED DECEMBER 31, 2011

(With Comparative Totals for 2010)

	Part-Town	Town-Wide	Totals	
			2011	2010
Revenues:				
Real property taxes	\$ 5,045,243	\$ 4,255,223	\$ 9,300,466	\$ 8,475,974
Intergovernmental charges	59,736	62,156	121,892	149,041
Use of money and property	4,584	3,751	8,335	39,092
Sale of property and compensation for loss	-	85,925	85,925	41,876
Interfund revenues	-	23,727	23,727	25,270
State aid	185,950	287,159	473,109	512,017
Federal aid	-	179,372	179,372	25,167
Miscellaneous	92,297	13,158	105,455	47,134
Total Revenues	5,387,810	4,910,471	10,298,281	9,315,571
Expenditures -				
Current:				
General government support	488,080	411,085	899,165	935,991
Transportation	3,953,162	3,230,128	7,183,290	6,628,454
Employee benefits	1,105,222	1,025,341	2,130,563	1,806,360
Total Expenditures	5,546,464	4,666,554	10,213,018	9,370,805
Excess (Deficiency) of Revenues Over Expenditures	(158,654)	243,917	85,263	(55,234)
Other Financing Sources (Uses):				
Transfers in	-	38,661	38,661	27,438
Transfers out	-	-	-	(19,109)
Total Other Financing Sources	-	38,661	38,661	8,329
Net Change in Fund Balances	(158,654)	282,578	123,924	(46,905)
Fund Balances - Beginning of Year	436,031	2,767,750	3,203,781	3,250,686
Fund Balances - End of Year	\$ 277,377	\$ 3,050,328	\$ 3,327,705	\$ 3,203,781

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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 5,044,960	\$ 5,044,960	\$ 5,045,243	\$ 283
Intergovernmental charges	20,000	20,000	59,736	39,736
Use of money and property	30,000	30,000	4,584	(25,416)
State aid	214,941	232,441	185,950	(46,491)
Federal aid	-	107,500	0	(107,500)
Miscellaneous	-	-	92,297	92,297
Total Revenues	5,309,901	5,434,901	5,387,810	(47,091)
Expenditures -				
Current:				
General government support:				
Unallocated insurance	85,600	85,600	85,600	-
Metropolitan commuter transportation mobility tax	8,500	8,480	8,480	-
Reimbursement to General Fund for services	394,000	394,000	394,000	-
	488,100	488,080	488,080	-
Transportation:				
General repairs	3,492,633	3,810,118	3,810,118	-
Permanent improvements	214,941	143,044	143,044	-
	3,707,574	3,953,162	3,953,162	-
Employee benefits:				
State retirement	335,000	310,539	310,539	-
Social security	193,000	179,478	179,478	-
Hospitalization and dental insurance	566,000	588,805	588,805	-
Workers' compensation benefits	26,400	26,400	26,400	-
	1,120,400	1,105,222	1,105,222	-
Total Expenditures	5,316,074	5,546,464	5,546,464	-
Deficiency of Revenues Over Expenditures	(6,173)	(111,563)	(158,654)	(47,091)
Fund Balance - Beginning of Year	6,173	111,563	436,031	324,468
Fund Balance - End of Year	\$ -	\$ -	\$ 277,377	\$ 277,377

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,818,698	\$ 4,818,698	\$ 4,818,903	\$ 205
10,000	10,859	31,769	20,910
30,000	30,000	33,514	3,514
213,550	213,550	159,961	(53,589)
-	29,360	25,167	(4,193)
-	21,170	41,404	20,234
5,072,248	5,123,637	5,110,718	(12,919)
85,600	85,600	85,600	-
8,500	8,500	6,934	1,566
412,685	412,685	412,685	-
506,785	506,785	505,219	1,566
3,392,018	3,556,047	3,556,047	-
231,017	156,595	155,767	828
3,623,035	3,712,642	3,711,814	828
240,000	227,000	226,175	825
189,000	201,877	201,877	-
488,000	501,413	501,413	-
26,400	26,400	26,400	-
943,400	956,690	955,865	825
5,073,220	5,176,117	5,172,898	3,219
(972)	(52,480)	(62,180)	(9,700)
972	52,480	498,211	445,731
\$ -	\$ -	\$ 436,031	\$ 436,031

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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 4,255,223	\$ 4,255,223	\$ 4,255,223	\$ -
Intergovernmental charges	210,812	210,812	62,156	(148,656)
Use of money and property	4,000	4,000	3,751	(249)
Sale of property and compensation for loss	20,000	20,000	85,925	65,925
Interfund revenues	-	-	23,727	23,727
State aid	-	25,060	287,159	262,099
Federal aid	-	153,940	179,372	25,432
Miscellaneous	6,000	6,000	13,158	7,158
Total Revenues	4,496,035	4,675,035	4,910,471	235,436
Expenditures -				
Current:				
General government support:				
Unallocated insurance	70,400	70,400	70,400	-
Metropolitan commuter transportation mobility tax	8,000	8,000	7,685	315
Reimbursement to General Fund for services	333,000	333,000	333,000	-
	411,400	411,400	411,085	315
Transportation:				
General repairs	21,340	-	-	-
Machinery	364,659	424,952	424,952	-
Brush and weeds	1,520,548	1,639,266	1,639,266	-
Snow removal	1,187,982	1,181,311	1,165,910	15,401
	3,094,529	3,245,529	3,230,128	15,401
Employee benefits:				
State retirement	321,000	321,000	298,361	22,639
Social security	152,000	162,000	161,557	443
Unemployment benefits	7,000	14,000	13,565	435
Hospitalization and dental insurance	523,000	534,000	527,858	6,142
Workers' compensation benefits	24,000	24,000	24,000	-
	1,027,000	1,055,000	1,025,341	29,659
Total Expenditures	4,532,929	4,711,929	4,666,554	45,375
Excess (Deficiency) of Revenues Over Expenditures	(36,894)	(36,894)	243,917	280,811
Other Financing Sources (Uses):				
Transfers in	-	-	38,661	38,661
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	38,661	38,661
Net Change in Fund Balance	(36,894)	(36,894)	282,578	319,472
Fund Balance - Beginning of Year	36,894	36,894	2,767,750	2,730,856
Fund Balance - End of Year	\$ -	\$ -	\$ 3,050,328	\$ 3,050,328

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,657,071	\$ 3,657,071	\$ 3,657,071	\$ -
150,000	150,000	117,272	(32,728)
1,000	1,000	5,578	4,578
20,000	20,000	41,876	21,876
-	-	25,270	25,270
-	-	352,056	352,056
-	-	-	-
-	-	5,730	5,730
3,828,071	3,828,071	4,204,853	376,782
70,400	70,400	70,400	-
8,000	8,475	8,475	-
351,898	351,898	351,897	1
430,298	430,773	430,772	1
33,400	18,400	12,060	6,340
343,477	338,893	312,347	26,546
1,526,014	1,487,414	1,483,148	4,266
1,183,655	1,191,255	1,109,085	82,170
3,086,546	3,035,962	2,916,640	119,322
230,000	217,310	217,306	4
149,000	149,000	140,464	8,536
7,000	20,000	18,289	1,711
429,000	459,690	450,436	9,254
24,000	24,000	24,000	-
839,000	870,000	850,495	19,505
4,355,844	4,336,735	4,197,907	138,828
(527,773)	(508,664)	6,946	515,610
-	-	27,438	27,438
-	(19,109)	(19,109)	-
-	(19,109)	8,329	27,438
(527,773)	(527,773)	15,275	543,048
527,773	527,773	2,752,475	2,224,702
\$ -	\$ -	\$ 2,767,750	\$ 2,767,750

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TOWN OF ORANGETOWN, NEW YORK

DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 933,402	\$ 2,465,125
Due from Other Funds	<u>1,283,604</u>	<u>752,849</u>
Total Assets	<u>\$ 2,217,006</u>	<u>\$ 3,217,974</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities - Due to other funds	\$ -	\$ 69,396
Fund Balance:		
Restricted	717,006	2,148,578
Assigned	<u>1,500,000</u>	<u>1,000,000</u>
Total Fund Balance	<u>2,217,006</u>	<u>3,148,578</u>
Total Liabilities and Fund Balance	<u>\$ 2,217,006</u>	<u>\$ 3,217,974</u>

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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 3,805,341	\$ 3,805,341	\$ 3,805,341	\$ -
Use of money and property	8,000	8,000	3,859	(4,141)
Miscellaneous	27,682	158,082	198,845	40,763
Total Revenues	3,841,023	3,971,423	4,008,045	36,622
Expenditures:				
Current -				
General government support	125,000	125,000	117,420	7,580
Debt service:				
Principal:				
Serial bonds	2,746,277	2,746,277	2,746,276	1
Energy performance contract	-	89,932	89,845	87
	2,746,277	2,836,209	2,836,121	88
Interest:				
Serial bonds	1,668,297	1,583,297	1,559,159	24,138
Energy performance contract	-	125,468	125,468	-
	1,668,297	1,708,765	1,684,627	24,138
Total Expenditures	4,539,574	4,669,974	4,638,168	31,806
Deficiency of Revenues Over Expenditures	(698,551)	(698,551)	(630,123)	68,428
Other Financing Sources (Uses):				
Premium on obligations	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(301,449)	(301,449)	(301,449)	-
Total Other Financing Sources (Uses)	(301,449)	(301,449)	(301,449)	-
Net Change in Fund Balance	(1,000,000)	(1,000,000)	(931,572)	68,428
Fund Balance - Beginning of Year	1,000,000	1,000,000	3,148,578	2,148,578
Fund Balance - End of Year	\$ -	\$ -	\$ 2,217,006	\$ 2,217,006

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,419,696 15,000 -	\$ 3,419,696 15,000 -	\$ 3,419,696 15,891 7,850	\$ - 891 7,850
3,434,696	3,434,696	3,443,437	8,741
-	115,600	115,564	36
2,585,679 -	2,585,679 -	2,440,679 -	145,000 -
2,585,679	2,585,679	2,440,679	145,000
1,540,815 107,657	1,425,215 107,657	1,378,409 107,657	46,806 -
1,648,472	1,532,872	1,486,066	46,806
4,234,151	4,234,151	4,042,309	191,842
(799,455)	(799,455)	(598,872)	200,583
- -	- -	287,884 333,816	287,884 333,816
(200,545)	(200,545)	(200,545)	-
(200,545)	(200,545)	421,155	621,700
(1,000,000)	(1,000,000)	(177,717)	822,283
1,000,000	1,000,000	3,326,295	2,326,295
\$ -	\$ -	\$ 3,148,578	\$ 3,148,578

TOWN OF ORANGETOWN, NEW YORK

CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash - Demand deposits	\$ 399,640	\$ 173,954
Restricted Investments	279,105	2,812,146
Receivables:		
State and Federal aid	54,649	92,259
Due from other funds	-	636,297
	54,649	728,556
Total Assets	\$ 733,394	\$ 3,714,656
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 158,320	\$ 243,105
Retained percentages	372,150	1,253,728
Bond anticipation notes payable	1,800,000	1,200,000
Loans payable	-	2,999,000
Due to other funds	2,495,772	1,032,972
Deferred revenues	420,000	420,000
Total Liabilities	5,246,242	7,148,805
Fund Balance (Deficit):		
Committed	66,889	66,889
Unassigned	(4,579,737)	(3,501,038)
Total Fund Deficit	(4,512,848)	(3,434,149)
Total Liabilities and Fund Deficit	\$ 733,394	\$ 3,714,656

TOWN OF ORANGETOWN, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Revenues:		
State aid	\$ 26,006	\$ 88,819
Federal aid	-	156,000
Miscellaneous	315,000	225,000
Total Revenues	341,006	469,819
Expenditures - Capital outlay	4,788,899	5,235,332
Deficiency of Revenues Over Expenditures	(4,447,893)	(4,765,513)
Other Financing Sources (Uses):		
Bonds issued	3,369,194	8,695,000
Transfers in	-	961,174
Transfers out	-	(341,345)
Total Other Financing Sources	3,369,194	9,314,829
Net Change in Fund Balance	(1,078,699)	4,549,316
Fund Deficit - Beginning of Year	(3,434,149)	(7,983,465)
Fund Deficit - End of Year	\$ (4,512,848)	\$ (3,434,149)

TOWN OF ORANGETOWN, NEW YORK

CAPITAL PROJECTS FUND

PROJECT-LENGTH SCHEDULE

INCEPTION OF PROJECT THROUGH DECEMBER 31, 2011

Project	Project Budget	Expenditures and Transfers	Unexpended Balance
Building Department Renovations	\$ 380,000	\$ 144,254	\$ 235,746
Park Improvements	790,000	601,686	188,314
Shadyside Avenue Sewer	395,000	335,425	59,575
Tappan Traffic Light	110,000	38,934	71,066
Rockland Psychiatric Center Playing Fields	6,468,438	6,498,062	(29,624)
Sewer Reconstruction - 2005/2006	50,928,262	49,812,062	1,116,200
Tappan Hamlet Improvement	850,000	536,930	313,070
Highway Vehicles - 2006	610,000	556,724	53,276
Sewer Vehicles - 2006	200,000	158,090	41,910
Energy Performance Project	2,475,000	2,263,666	211,334
Highway Vehicles - 2009	982,000	1,148,353	(166,353)
Highway Machinery - Garage Renovations	300,000	284,687	15,313
Sludge Handling Facility	1,800,000	1,580,125	219,875
Totals	<u>\$ 66,288,700</u>	<u>\$ 63,958,998</u>	<u>\$ 2,329,702</u>

Methods of Financing					Fund Balance (Deficit) at December 31, 2011	Bond Anticipation Notes Outstanding at December 31, 2011
Proceeds of Obligations	Interfund Transfers	State and Federal Aid	Miscellaneous	Totals		
\$ 380,000	\$ -	\$ -	\$ -	\$ 380,000	\$ 235,746	\$ -
550,000	-	-	-	550,000	(51,686)	-
162,500	-	-	-	162,500	(172,925)	-
110,000	-	-	-	110,000	71,066	-
4,225,001	435,538	-	1,107,900	5,768,439	(729,623)	-
49,044,912	-	38,350	1,040,000	50,123,262	311,200	-
-	-	-	-	-	(536,930)	-
-	-	-	-	-	(556,724)	-
-	-	-	-	-	(158,090)	-
2,100,000	-	185,060	-	2,285,060	21,394	-
-	-	-	-	-	(1,148,353)	-
-	-	-	-	-	(284,687)	-
-	-	-	-	-	(1,580,125)	1,800,000
<u>\$ 56,572,413</u>	<u>\$ 435,538</u>	<u>\$ 223,410</u>	<u>\$ 2,147,900</u>	<u>\$ 59,379,261</u>	<u>\$ (4,579,737)</u>	<u>\$ 1,800,000</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, 2011
 (With Comparative Totals for 2010)

	Special Districts	Pearl River Parking	Special Purpose
<u>ASSETS</u>			
Cash - Demand deposits	\$ 283,723	\$ 141,551	\$ 122,576
Receivables:			
Accounts	-	2,590	-
Due from other funds	23,683	7,529	-
	23,683	10,119	-
Prepaid Expenditures	38,653	-	-
Total Assets	<u>\$ 346,059</u>	<u>\$ 151,670</u>	<u>\$ 122,576</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ -	\$ 413	\$ -
Due to other governments	38,238	-	-
Due to other funds	-	-	27,885
Total Liabilities	38,238	413	27,885
Fund Balances:			
Nonspendable	38,653	-	-
Restricted	-	-	94,691
Assigned	269,168	151,257	-
Total Fund Balances	307,821	151,257	94,691
Total Liabilities and Fund Balances	<u>\$ 346,059</u>	<u>\$ 151,670</u>	<u>\$ 122,576</u>

Total Non-Major Governmental Funds	
2011	2010
\$ 547,850	\$ 979,918
2,590	3,433
31,212	78,140
33,802	81,573
38,653	-
\$ 620,305	\$ 1,061,491
\$ 413	\$ 219
38,238	1,426
27,885	590,956
66,536	592,601
38,653	-
94,691	118,642
420,425	350,248
553,769	468,890
\$ 620,305	\$ 1,061,491

TOWN OF ORANGETOWN, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Special Districts	Pearl River Parking	Special Purpose
Revenues:			
Real property taxes	\$ 1,926,220	\$ -	\$ -
Departmental income	-	109,770	-
Use of money and property	1,778	239	434
Miscellaneous	-	-	-
Total Revenues	<u>1,927,998</u>	<u>110,009</u>	<u>434</u>
Expenditures -			
Current:			
Public safety	865,746	-	-
Health	400,000	-	-
Transportation	-	80,284	-
Culture and recreation	-	-	24,385
Home and community services	583,147	-	-
Total Expenditures	<u>1,848,893</u>	<u>80,284</u>	<u>24,385</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>79,105</u>	<u>29,725</u>	<u>(23,951)</u>
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	79,105	29,725	(23,951)
Fund Balances - Beginning of Year	<u>228,716</u>	<u>121,532</u>	<u>118,642</u>
Fund Balances - End of Year	<u>\$ 307,821</u>	<u>\$ 151,257</u>	<u>\$ 94,691</u>

Total Non-Major Governmental Funds	
2011	2010
\$ 1,926,220	\$ 1,834,264
109,770	113,689
2,451	3,318
-	21,000
<u>2,038,441</u>	<u>1,972,271</u>
865,746	854,631
400,000	400,000
80,284	104,799
24,385	-
<u>583,147</u>	<u>574,819</u>
<u>1,953,562</u>	<u>1,934,249</u>
<u>84,879</u>	<u>38,022</u>
-	7,529
-	<u>(435,538)</u>
-	<u>(428,009)</u>
84,879	(389,987)
<u>468,890</u>	<u>858,877</u>
<u>\$ 553,769</u>	<u>\$ 468,890</u>

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TOWN OF ORANGETOWN, NEW YORK

SPECIAL DISTRICTS FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash - Demand deposits	\$ 283,723	\$ 206,460
Due from Other Funds	23,683	70,611
Prepaid Expenditures	38,653	-
Total Assets	<u>\$ 346,059</u>	<u>\$ 277,071</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ -	\$ 46,929
Due to other governments	38,238	1,426
Total Liabilities	<u>38,238</u>	<u>48,355</u>
Fund Balance:		
Nonspendable	38,653	-
Assigned	269,168	228,716
Total Fund Balance	<u>307,821</u>	<u>228,716</u>
Total Liabilities and Fund Balance	<u>\$ 346,059</u>	<u>\$ 277,071</u>

TOWN OF ORANGETOWN, NEW YORK

SPECIAL DISTRICTS FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES - SUB-FUNDS

YEAR ENDED DECEMBER 31, 2011

(With Comparative Totals for 2010)

	Water	Blauvelt Fire Protection	South Orangetown Ambulance
Revenues:			
Real property taxes	\$ 636,645	\$ 889,575	\$ 400,000
Use of money and property	1,778	-	-
Total Revenues	638,423	889,575	400,000
Expenditures -			
Current:			
Public safety	-	865,746	-
Health	-	-	400,000
Home and community services	583,147	-	-
Total Expenditures	583,147	865,746	400,000
Excess of Revenues Over Expenditures	55,276	23,829	-
Fund Balances (Deficits) - Beginning of Year	145,573	83,483	(340)
Fund Balances (Deficits) - End of Year	\$ 200,849	\$ 107,312	\$ (340)

Totals	
2011	2010
\$ 1,926,220	\$ 1,834,264
1,778	1,015
<u>1,927,998</u>	<u>1,835,279</u>
865,746	854,631
400,000	400,000
<u>583,147</u>	<u>574,819</u>
<u>1,848,893</u>	<u>1,829,450</u>
79,105	5,829
<u>228,716</u>	<u>222,887</u>
<u>\$ 307,821</u>	<u>\$ 228,716</u>

TOWN OF ORANGETOWN, NEW YORK

SPECIAL DISTRICTS FUND - WATER DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 629,162	\$ 629,162	\$ 636,645	\$ 7,483
Use of money and property	-	-	1,778	1,778
Total Revenues	629,162	629,162	638,423	9,261
Expenditures -				
Current -				
Home and community services	629,162	629,162	583,147	46,015
Excess (Deficiency) of Revenues Over Expenditures	-	-	55,276	55,276
Fund Balance - Beginning of Year	-	-	145,573	145,573
Fund Balance - End of Year	\$ -	\$ -	\$ 200,849	\$ 200,849

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 566,844	\$ 566,844	\$ 559,117	\$ (7,727)
-	-	1,015	1,015
566,844	566,844	560,132	(6,712)
566,844	582,546	574,819	7,727
-	(15,702)	(14,687)	1,015
-	15,702	160,260	144,558
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,573</u>	<u>\$ 145,573</u>

TOWN OF ORANGETOWN, NEW YORK

SPECIAL DISTRICTS FUND - BLAUVELT FIRE PROTECTION DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues -				
Real property taxes	\$ 889,575	\$ 889,575	\$ 889,575	\$ -
Expenditures -				
Current -				
Public safety	889,575	889,575	865,746	23,829
Excess of Revenues Over Expenditures	-	-	23,829	23,829
Fund Balance - Beginning of Year	-	-	83,483	83,483
Fund Balance - End of Year	\$ -	\$ -	\$ 107,312	\$ 107,312

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 875,147	\$ 875,147	\$ 875,147	\$ -
875,147	875,147	854,631	20,516
-	-	20,516	20,516
-	-	62,967	62,967
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,483</u>	<u>\$ 83,483</u>

TOWN OF ORANGETOWN, NEW YORK

SPECIAL DISTRICTS FUND - SOUTH ORANGETOWN AMBULANCE DISTRICT
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues - Real property taxes	\$ 400,000	\$ 400,000	\$ 400,000	\$ -
Expenditures -				
Current - Health	400,000	400,000	400,000	-
Excess of Revenues Over Expenditures	-	-	-	-
Fund Deficit - Beginning of Year	-	-	(340)	(340)
Fund Deficit - End of Year	\$ -	\$ -	\$ (340)	\$ (340)

2010			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 400,000	\$ 400,000	\$ 400,000	\$ -
<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
-	-	-	-
-	-	(340)	(340)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (340)</u>	<u>\$ (340)</u>

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TOWN OF ORANGETOWN, NEW YORK

PEARL RIVER PARKING FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

ASSETS

	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 141,551	\$ 219,278
Accounts Receivable	2,590	3,433
Due From Other Funds	<u>7,529</u>	<u>7,529</u>
Total Assets	<u>\$ 151,670</u>	<u>\$ 230,240</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$ 413	\$ 219
Due to other funds	<u>-</u>	<u>108,489</u>
Total Liabilities	413	108,708
Fund Balance - Assigned	<u>151,257</u>	<u>121,532</u>
Total Liabilities and Fund Balance	<u>\$ 151,670</u>	<u>\$ 230,240</u>

TOWN OF ORANGETOWN, NEW YORK

PEARL RIVER PARKING FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 119,873	\$ 119,873	\$ 109,770	\$ (10,103)
Use of money and property	-	-	239	239
Miscellaneous	-	-	-	-
Total Revenues	119,873	119,873	110,009	(9,864)
Expenditures - Current - Transportation	119,873	119,873	80,284	39,589
Excess of Revenues Over Expenditures	-	-	29,725	29,725
Other Financing Sources - Transfers in	-	-	-	-
Net Change in Fund Balance	-	-	29,725	29,725
Fund Balance - Beginning of Year	-	-	121,532	121,532
Fund Balance - End of Year	\$ -	\$ -	\$ 151,257	\$ 151,257

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 120,000 500 -	\$ 120,000 500 -	\$ 113,689 449 21,000	\$ (6,311) (51) 21,000
120,500	120,500	135,138	14,638
120,500	120,500	104,799	15,701
-	-	30,339	30,339
-	-	7,529	7,529
-	-	37,868	37,868
-	-	83,664	83,664
\$ -	\$ -	\$ 121,532	\$ 121,532

TOWN OF ORANGETOWN, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash - Demand deposits	<u>\$ 122,576</u>	<u>\$ 554,180</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities - Due to other funds	\$ 27,885	\$ 435,538
Fund Balance - Restricted	<u>94,691</u>	<u>118,642</u>
Total Liabilities and Fund Balance	<u>\$ 122,576</u>	<u>\$ 554,180</u>

TOWN OF ORANGETOWN, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Revenues - Use of money and property	\$ 434	\$ 1,854
Expenditures - Current - Culture and recreation	<u>24,385</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(23,951)	1,854
Other Financing Uses - Transfers out	<u>-</u>	<u>(435,538)</u>
Net Change in Fund Balance	(23,951)	(433,684)
Fund Balance - Beginning of Year	<u>118,642</u>	<u>552,326</u>
Fund Balance - End of Year	<u><u>\$ 94,691</u></u>	<u><u>\$ 118,642</u></u>

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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.

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BLUE HILL GOLF COURSE
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Current Assets:		
Cash - Demand deposits	\$ 609,240	\$ 723,872
Accounts receivable	41,331	52,722
Due from other funds	-	1,933,132
Prepaid expenses	50,888	23,202
Total Current Assets	701,459	2,732,928
Noncurrent Assets:		
Deferred charges, net of accumulated amortization of \$17,041 in 2011 and \$13,566 in 2010	22,479	7,581
Capital assets:		
Land	3,071,006	3,071,006
Buildings and improvements	835,062	835,062
Improvements other than buildings	6,284,072	5,034,990
Machinery and equipment	1,621,413	1,458,011
	11,811,553	10,399,069
Less - Accumulated depreciation	(5,275,542)	(4,928,368)
	6,536,011	5,470,701
Total Noncurrent Assets	6,558,490	5,478,282
Total Assets	7,259,949	8,211,210
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	32,630	33,643
Accrued interest payable	19,364	26,030
Due to other governments	2,705	976
Due to other funds	500,511	1,289,347
Advances from other funds	2,517,288	1,955,438
Deferred revenues	45,561	5,008
Current maturities of bonds payable	471,333	455,683
Current portion of compensated absences	7,500	4,680
Total Current Liabilities	3,596,892	3,770,805
Noncurrent Liabilities:		
Bonds payable, less current maturities	2,229,100	2,684,317
Compensated absences, less current portion	67,696	42,117
Other post employment benefit obligations payable	846,408	626,429
Total Noncurrent Liabilities	3,143,204	3,352,863
Total Liabilities	6,740,096	7,123,668
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	3,983,201	3,711,526
Deficit	(3,463,348)	(2,623,984)
Total Net Assets	\$ 519,853	\$ 1,087,542

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BLUE HILL GOLF COURSE
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Operating Revenues:		
Greens fees	\$ 1,882,831	\$ 1,950,813
Cart rental	529,508	530,103
Facility rental	19,868	95,689
Permit cards	159,460	155,815
Federal aid	-	10,270
Other income	3,388	1,170
Total Operating Revenues	2,595,055	2,743,860
Operating Expenses:		
Personal services	995,905	1,073,707
Landscaping materials	72,689	36,791
Office expenses and printing	4,104	4,298
Rental of equipment	84,234	81,864
Automobile maintenance and supplies	76,464	66,424
Repairs and maintenance	19,075	29,850
Utilities	66,692	71,379
Chemicals	131,553	126,752
Contractual and other	637,115	642,156
Employee benefits	726,602	626,143
Depreciation and amortization	350,649	303,159
Total Operating Expenses	3,165,082	3,062,523
Loss from Operations	(570,027)	(318,663)
Non-Operating Revenues (Expenses):		
Interest income	3,045	2,742
Interest expense	(101,948)	(93,010)
Total Non-Operating Expenses	(98,903)	(90,268)
Loss Before Transfers	(668,930)	(408,931)
Transfers In	101,241	-
Change in Net Assets	(567,689)	(408,931)
Net Assets - Beginning of Year	1,087,542	1,496,473
Net Assets - End of Year	\$ 519,853	\$ 1,087,542

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BLUE HILL GOLF COURSE
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 4,580,131	\$ 1,257,263
Cash payments to vendors	(1,345,882)	(454,133)
Cash payments to employees	(1,474,129)	(1,501,575)
Net Cash Provided by (Used in) Operating Activities	1,760,120	(698,445)
Cash Flows From Non-Capital Financing Activities -		
Transfers in	101,241	-
Cash Flows From Capital and Related Financing Activities:		
Proceeds from bonds	-	1,300,000
Principal paid on bonds	(455,683)	(385,000)
Interest paid on indebtedness	(110,871)	(90,301)
Acquisition and construction of capital assets	(1,412,484)	(79,465)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(1,979,038)	745,234
Cash Flows From Investing Activities -		
Interest income	3,045	2,742
Net Increase (Decrease) in Cash	(114,632)	49,531
Cash - Beginning of Year	723,872	674,341
Cash - End of Year	\$ 609,240	\$ 723,872
Reconciliation of Loss from Operations to Net Cash		
Provided by (Used in) Operating Activities:		
Loss from operations	\$ (570,027)	\$ (318,663)
Adjustments to reconcile loss from operations to		
net cash provided by (used in) operating activities:		
Depreciation and amortization	350,649	303,159
Changes in assets and liabilities:		
Accounts receivable	11,391	27,224
Due from other funds	1,933,132	(1,518,829)
Prepaid expenses	(27,686)	(6,601)
Accounts payable	(1,013)	7,962
Due to other governments	1,729	369
Due to other funds	(788,836)	243,468
Advances from other funds	561,850	360,183
Deferred revenues	40,553	5,008
Compensated absences	28,399	(16,734)
Other post employment benefit obligations payable	219,979	215,009
Net Cash Provided by (Used in) Operating Activities	\$ 1,760,120	\$ (698,445)
Non-Cash Capital and Related Financing Activities:		
Refunding bonds issued	\$ 800,000	
Issuance premium	38,372	
Payment to refunded bond escrow agent	(820,000)	
Refunding bond issuance costs	(18,372)	

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BROAD ACRES GOLF COURSE
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Current Assets:		
Cash - Demand deposits	\$ 90,180	\$ 51,142
Accounts receivable	3,047	-
Due from other funds	-	163,284
Prepaid expenses	9,490	6,941
Total Current Assets	102,717	221,367
Noncurrent Assets -		
Capital assets:		
Land	2,382,819	2,382,819
Buildings and improvements	352,216	352,216
Improvements other than buildings	259,721	259,721
Machinery and equipment	174,510	174,510
	3,169,266	3,169,266
Less - Accumulated depreciation	(357,891)	(320,022)
	2,811,375	2,849,244
Total Assets	2,914,092	3,070,611
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	10,944	16,234
Accrued interest payable	60,233	61,935
Due to other funds	30,331	138,789
Due to other governments	209	3,053
Advances from other funds	1,850,131	1,546,954
Current maturities of bonds payable	81,042	78,040
Current portion of compensated absences	1,000	1,356
Total Current Liabilities	2,033,890	1,846,361
Noncurrent Liabilities:		
Bonds payable, less current maturities	2,614,344	2,695,386
Compensated absences, less current portion	9,388	12,206
Other post employment benefit obligations payable	265,941	193,005
Total Noncurrent Liabilities	2,889,673	2,900,597
Total Liabilities	4,923,563	4,746,958
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	115,989	75,818
Unrestricted	(2,125,460)	(1,752,165)
Total Deficit	\$ (2,009,471)	\$ (1,676,347)

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BROAD ACRES GOLF COURSE
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Operating Revenues:		
Greens fees	\$ 459,147	\$ 536,802
Cart rental	92,685	104,937
Permit cards	5,941	6,460
State aid	427	-
Federal aid	2,620	-
Total Operating Revenues	560,820	648,199
Operating Expenses:		
Personal services	392,571	392,655
Landscaping materials	35,475	14,055
Office expenses and printing	849	2,578
Rental of equipment	16,209	24,150
Automobile maintenance and supplies	20,442	18,680
Repairs and maintenance	9,964	4,581
Utilities	16,531	18,292
Chemicals	34,616	35,009
Contractual and other	201,277	173,383
Employee benefits	207,966	206,296
Depreciation	37,869	40,617
Total Operating Expenses	973,769	930,296
Loss from Operations	(412,949)	(282,097)
Non-Operating Revenues (Expenses):		
Interest income	83	223
Interest expense	(120,466)	(123,870)
Total Non-Operating Expenses	(120,383)	(123,647)
Loss Before Transfers	(533,332)	(405,744)
Transfers In	200,208	200,545
Change in Net Assets	(333,124)	(205,199)
Deficit - Beginning of Year	(1,676,347)	(1,471,148)
Deficit - End of Year	\$ (2,009,471)	\$ (1,676,347)

TOWN OF ORANGETOWN, NEW YORK

ENTERPRISE FUND - BROAD ACRES GOLF COURSE
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 721,057	\$ 648,199
Cash payments to vendors	(148,778)	(51,332)
Cash payments to employees	(533,324)	(533,998)
Net Cash Provided by Operating Activities	38,955	62,869
Cash Flows From Non-Capital Financing Activities -		
Transfers in	200,208	200,545
Cash Flows From Capital and Related Financing Activities:		
Principal paid on bonds	(78,040)	(75,039)
Interest paid on indebtedness	(122,168)	(125,506)
Acquisition and construction of capital assets	-	(11,950)
Net Cash Used in Capital and Related Financing Activities	(200,208)	(212,495)
Cash Flows From Investing Activities -		
Interest income	83	223
Net Increase in Cash	39,038	51,142
Cash - Beginning of Year	51,142	-
Cash - End of Year	\$ 90,180	\$ 51,142
Reconciliation of Loss from Operations to Net Cash		
Provided by Operating Activities:		
Loss from operations	\$ (412,949)	\$ (282,097)
Adjustments to reconcile loss from operations to		
net cash provided by operating activities:		
Depreciation	37,869	40,617
Changes in assets and liabilities:		
Accounts receivable	(3,047)	-
Due from other funds	163,284	-
Prepaid expenses	(2,549)	(1,974)
Accounts payable	(5,290)	2,781
Due to other funds	(108,458)	51,475
Due to other governments	(2,844)	544
Advances from other funds	303,177	184,596
Compensated absences	(3,174)	(473)
Other post employment benefit obligations payable	72,936	67,400
Net Cash Provided by Operating Activities	\$ 38,955	\$ 62,869

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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 ASSETS
 DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Workers' Compensation Benefits	Risk Retention	Totals	
			2011	2010
<u>ASSETS</u>				
Cash - Demand deposits	\$ 433,191	\$ 949,149	\$ 1,382,340	\$ 1,132,458
Accounts Receivable	-	75,410	75,410	-
Due from Other Funds	478,435	559,336	1,037,771	1,115,634
Prepaid Expenses	57,600	115,043	172,643	212,459
Total Assets	969,226	1,698,938	2,668,164	2,460,551
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts payable	291,763	520,791	812,554	576,607
Due to other funds	-	-	-	100,130
Current portion of claims payable	313,000	361,000	674,000	662,438
Total Current Liabilities	604,763	881,791	1,486,554	1,339,175
Noncurrent Liabilities -				
Claims payable, less current portion	300,830	94,370	395,200	419,429
Total Liabilities	905,593	976,161	1,881,754	1,758,604
<u>NET ASSETS</u>				
Unrestricted	\$ 63,633	\$ 722,777	\$ 786,410	\$ 701,947

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Workers' Compensation Benefits	Risk Retention	Totals	
			2011	2010
Operating Revenues:				
Charges for services	\$ 747,200	\$ 738,080	\$ 1,485,280	\$ 1,485,280
Insurance recoveries	124,378	207,042	331,420	268,915
Total Operating Revenues	871,578	945,122	1,816,700	1,754,195
Operating Expenses:				
Insurance	374,214	533,123	907,337	909,270
Contractual	8,233	132,186	140,419	143,670
Employee benefits	367,115	-	367,115	283,426
Judgments and claims	-	321,437	321,437	293,709
Total Operating Expenses	749,562	986,746	1,736,308	1,630,075
Income (Loss) from Operations	122,016	(41,624)	80,392	124,120
Non-Operating Revenues -				
Interest income	1,633	2,438	4,071	4,903
Change in Net Assets	123,649	(39,186)	84,463	129,023
Net Assets (Deficits) - Beginning of Year	(60,016)	761,963	701,947	572,924
Net Assets - End of Year	\$ 63,633	\$ 722,777	\$ 786,410	\$ 701,947

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Workers' Compensation Benefits	Risk Retention
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 268,765	\$ 1,294,378
Cash received from insurance recoveries	124,378	131,632
Cash payments to insurance carriers and claimants	(594,776)	(978,566)
Net Cash Provided by (Used in) Operating Activities	(201,633)	447,444
Cash Flows From Investing Activities -		
Interest income	1,633	2,438
Net Increase (Decrease) in Cash	(200,000)	449,882
Cash - Beginning of Year	633,191	499,267
Cash - End of Year	\$ 433,191	\$ 949,149
Reconciliation of Income (Loss) from Operations to		
Net Cash Provided by (Used in) Operating Activities:		
Income (loss) from operations	\$ 122,016	\$ (41,624)
Adjustments to reconcile income (loss) from		
operations to net cash provided by (used in)		
operating activities		
Changes in assets and liabilities:		
Accounts receivable	-	(75,410)
Due from other funds	(478,435)	556,298
Prepaid expenses	(6,003)	45,819
Accounts payable	291,763	(55,816)
Due to other funds	(100,130)	-
Claims payable	(30,844)	18,177
Net Cash Provided by (Used in) Operating Activities	\$ (201,633)	\$ 447,444

Totals	
2011	2010
\$ 1,563,143	\$ 1,427,208
256,010	268,915
(1,573,342)	(1,707,142)
245,811	(11,019)
4,071	4,903
249,882	(6,116)
1,132,458	1,138,574
<u>\$ 1,382,340</u>	<u>\$ 1,132,458</u>
\$ 80,392	\$ 124,120
(75,410)	-
77,863	(58,072)
39,816	12,365
235,947	(6,424)
(100,130)	28,003
(12,667)	(111,011)
<u>\$ 245,811</u>	<u>\$ (11,019)</u>

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 433,191	\$ 633,191
Due from Other Funds	478,435	-
Prepaid Expenses	<u>57,600</u>	<u>51,597</u>
Total Assets	<u>969,226</u>	<u>684,788</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	291,763	-
Due to other funds	-	100,130
Current portion of claims payable	<u>313,000</u>	<u>363,959</u>
Total Current Liabilities	604,763	464,089
Noncurrent Liabilities - Claims payable, less current portion	<u>300,830</u>	<u>280,715</u>
Total Liabilities	<u>905,593</u>	<u>744,804</u>
<u>NET ASSETS (DEFICIT)</u>		
Unrestricted	<u>\$ 63,633</u>	<u>\$ (60,016)</u>

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Operating Revenues:		
Charges for services	\$ 747,200	\$ 329,600
Insurance recoveries	124,378	231,700
Total Operating Revenues	871,578	561,300
Operating Expenses:		
Insurance	374,214	322,379
Contractual	8,233	6,577
Employee benefits	367,115	283,426
Total Operating Expenses	749,562	612,382
Income (Loss) from Operations	122,016	(51,082)
Non-Operating Revenues - Interest income	1,633	1,970
Change in Net Assets	123,649	(49,112)
Deficit - Beginning of Year	(60,016)	(10,904)
Net Assets (Deficit) - End of Year	\$ 63,633	\$ (60,016)

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 268,765	\$ 586,646
Cash received from insurance recoveries	124,378	231,700
Cash payments to insurance carriers and claimants	(594,776)	(1,075,213)
Net Cash Used in Operating Activities	(201,633)	(256,867)
Cash Flows From Investing Activities -		
Interest income	1,633	1,970
Net Decrease in Cash	(200,000)	(254,897)
Cash - Beginning of Year	633,191	888,088
Cash - End of Year	\$ 433,191	\$ 633,191
Reconciliation of Income (Loss) from Operations to Net Cash Used in Operating Activities:		
Income (loss) from operations	\$ 122,016	\$ (51,082)
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Changes in assets and liabilities:		
Due from other funds	(478,435)	257,046
Prepaid expenses	(6,003)	(33,459)
Accounts payable	291,763	(418,942)
Due to other funds	(100,130)	28,003
Claims payable	(30,844)	(38,433)
Net Cash Used In Operating Activities	\$ (201,633)	\$ (256,867)

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - RISK RETENTION FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2011 AND 2010

	2011	2010
<u>ASSETS</u>		
Cash - Demand deposits	\$ 949,149	\$ 499,267
Accounts Receivable	75,410	-
Due from Other Funds	559,336	1,115,634
Prepaid Expenses	115,043	160,862
Total Assets	1,698,938	1,775,763
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	520,791	576,607
Current portion of claims payable	361,000	298,479
Total Current Liabilities	881,791	875,086
Noncurrent Liabilities - Claims payable, less current portion	94,370	138,714
Total Liabilities	976,161	1,013,800
<u>NET ASSETS</u>		
Unrestricted	\$ 722,777	\$ 761,963

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - RISK RETENTION FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET ASSETS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Operating Revenues:		
Charges for services	\$ 738,080	\$ 1,155,680
Insurance recoveries	207,042	37,215
Total Operating Revenues	945,122	1,192,895
Operating Expenses:		
Insurance	533,123	586,891
Contractual	132,186	137,093
Judgments and claims	321,437	293,709
Total Operating Expenses	986,746	1,017,693
Income (Loss) from Operations	(41,624)	175,202
Non-Operating Revenues - Interest income	2,438	2,933
Change in Net Assets	(39,186)	178,135
Net Assets - Beginning of Year	761,963	583,828
Net Assets - End of Year	\$ 722,777	\$ 761,963

TOWN OF ORANGETOWN, NEW YORK

INTERNAL SERVICE FUND - RISK RETENTION FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 1,294,378	\$ 840,562
Cash received from insurance recoveries	131,632	37,215
Cash payments to insurance carriers and claimants	(978,566)	(631,929)
Net Cash Provided by Operating Activities	447,444	245,848
Cash Flows From Investing Activities -		
Interest income	2,438	2,933
Net Increase in Cash	449,882	248,781
Cash - Beginning of Year	499,267	250,486
Cash - End of Year	\$ 949,149	\$ 499,267
Reconciliation of Income (Loss) from Operations to Net Cash		
Provided by Operating Activities:		
Income (loss) from operations	\$ (41,624)	\$ 175,202
Adjustments to reconcile income (loss) from operations to		
net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(75,410)	-
Due from other funds	556,298	(315,118)
Prepaid expenses	45,819	45,824
Accounts payable	(55,816)	412,518
Claims payable	18,177	(72,578)
Net Cash Provided by Operating Activities	\$ 447,444	\$ 245,848

TOWN OF ORANGETOWN, NEW YORK

FIDUCIARY FUND - AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED DECEMBER 31, 2011

	Balance January 1, 2011	Increases	Decreases	Balance December 31, 2011
<u>ASSETS</u>				
Cash - Demand deposits	\$ 311,683	\$ 88,682,009	\$ 88,889,446	\$ 104,246
Accounts Receivable	609,465	43,237,761	43,126,439	720,787
Total Assets	<u>\$ 921,148</u>	<u>\$ 131,919,770</u>	<u>\$ 132,015,885</u>	<u>\$ 825,033</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 33,617,293	\$ 33,617,293	\$ -
Employee Payroll Deductions	-	11,889,814	11,889,814	-
Deposits	921,148	498,748	594,863	825,033
Total Liabilities	<u>\$ 921,148</u>	<u>\$ 46,005,855</u>	<u>\$ 46,101,970</u>	<u>\$ 825,033</u>

**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 Assets by Component

Changes in Net Assets

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

TOWN OF ORANGETOWN, NEW YORK

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS

	2003	2004	2005	2006
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$ 68,957,513	\$ 73,049,840	\$ 68,698,046	\$ 70,358,555
Restricted	5,368,529	5,573,349	6,585,186	9,146,110
Unrestricted	(2,825,945)	(4,042,026)	2,029,113	2,185,922
Total Governmental Activities Net Assets	<u>\$ 71,500,097</u>	<u>\$ 74,581,163</u>	<u>\$ 77,312,345</u>	<u>\$ 81,690,587</u>
Business - Type Activities:				
Invested in Capital Assets, Net of Related Debt	\$ 2,829,777	\$ 2,907,617	\$ 2,968,627	\$ 3,054,103
Unrestricted	209,146	(174,721)	(734,236)	(984,923)
Total Business - Type Activities Net Assets	<u>\$ 3,038,923</u>	<u>\$ 2,732,896</u>	<u>\$ 2,234,391</u>	<u>\$ 2,069,180</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$ 71,787,290	\$ 75,957,457	\$ 71,666,673	\$ 73,412,658
Restricted	5,368,529	5,573,349	6,585,186	9,146,110
Unrestricted	(2,616,799)	(4,216,747)	1,294,877	1,200,999
Total Primary Government Net Assets	<u>\$ 74,539,020</u>	<u>\$ 77,314,059</u>	<u>\$ 79,546,736</u>	<u>\$ 83,759,767</u>

Note: Data not available prior to fiscal 2003 implementation of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

2007	2008	2009	2010	2011
\$ 75,713,624	\$ 61,297,724	\$ 69,576,680	\$ 71,245,807	\$ 72,654,445
10,618,819	8,400,205	7,231,151	5,604,697	4,187,483
(4,748,966)	8,569,838	(2,598,768)	(7,030,464)	(16,172,590)
<u>\$ 81,583,477</u>	<u>\$ 78,267,767</u>	<u>\$ 74,209,063</u>	<u>\$ 69,820,040</u>	<u>\$ 60,669,338</u>
\$ 3,364,111	\$ 3,430,223	\$ 3,589,772	\$ 3,787,344	\$ 4,099,190
(1,945,386)	(2,837,074)	(3,564,447)	(4,376,149)	(5,588,808)
<u>\$ 1,418,725</u>	<u>\$ 593,149</u>	<u>\$ 25,325</u>	<u>\$ (588,805)</u>	<u>\$ (1,489,618)</u>
\$ 79,077,735	\$ 64,727,947	\$ 73,166,452	\$ 75,033,151	\$ 76,753,635
10,618,819	8,400,205	7,231,151	5,604,697	4,187,483
(6,694,352)	5,732,764	(6,163,215)	(11,406,613)	(21,761,398)
<u>\$ 83,002,202</u>	<u>\$ 78,860,916</u>	<u>\$ 74,234,388</u>	<u>\$ 69,231,235</u>	<u>\$ 59,179,720</u>

TOWN OF ORANGETOWN, NEW YORK

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
General government support	\$ 6,175,223	\$ 5,786,163	\$ 5,916,443	\$ 5,290,033
Public safety	16,002,316	17,728,233	19,617,613	19,843,138
Health	300,832	394,156	431,221	435,600
Transportation	8,914,999	8,767,397	8,166,449	9,436,875
Economic opportunity and development	115,017	117,062	116,549	120,813
Culture and recreation	2,211,020	2,337,950	3,915,744	3,275,083
Home and community services	7,237,567	7,526,178	9,170,755	8,997,976
Interest	753,582	663,713	822,965	1,592,584
Total Governmental Activities Expenses	<u>41,710,556</u>	<u>43,320,852</u>	<u>48,157,739</u>	<u>48,992,102</u>
Business-type Activities:				
Blue Hill Golf Course	2,557,600	2,732,238	2,731,870	2,541,425
Broad Acres Golf Course	-	574,729	724,783	821,615
Total Business-type Activities Expenses	<u>2,557,600</u>	<u>3,306,967</u>	<u>3,456,653</u>	<u>3,363,040</u>
Total Primary Government Expenses	<u>\$ 44,268,156</u>	<u>\$ 46,627,819</u>	<u>\$ 51,614,392</u>	<u>\$ 52,355,142</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General government support	\$ 597,130	\$ 378,253	\$ 396,134	\$ 437,495
Public safety	987,262	1,177,720	1,217,021	1,492,247
Transportation	135,567	106,129	145,449	203,588
Culture and recreation	482,259	486,085	650,946	638,757
Home and community services	1,649,828	1,744,425	2,000,016	2,660,856
Operating Grants and Contributions	1,070,368	629,695	1,615,391	1,650,727
Capital Grants and Contributions	584,199	25,237	932,289	2,333,060
Total Governmental Activities Program Revenues	<u>5,506,613</u>	<u>4,547,544</u>	<u>6,957,246</u>	<u>9,416,730</u>
Business-type Activities -				
Charges for Services:				
Blue Hill Golf Course	2,368,652	2,521,404	2,423,309	2,608,827
Broad Acres Golf Course	-	475,459	522,567	562,518
Total Business-type Activities Program Revenues	<u>2,368,652</u>	<u>2,996,863</u>	<u>2,945,876</u>	<u>3,171,345</u>
Total Primary Government Program Revenues	<u>\$ 7,875,265</u>	<u>\$ 7,544,407</u>	<u>\$ 9,903,122</u>	<u>\$ 12,588,075</u>

2007	2008	2009	2010	2011
\$ 8,442,981	\$ 7,050,815	\$ 8,007,220	\$ 9,776,429	\$ 8,121,893
20,692,756	23,419,577	22,861,695	25,389,618	26,235,249
437,000	437,150	450,800	463,180	467,140
10,114,162	11,300,971	11,898,894	12,302,982	13,722,291
123,947	153,119	136,075	144,557	152,737
2,763,572	3,361,186	3,009,313	3,406,031	4,089,519
8,756,525	10,147,576	11,185,481	11,602,897	13,546,983
1,604,291	2,018,549	1,706,901	1,684,758	1,682,937
52,935,234	57,888,943	59,256,379	64,770,452	68,018,749
2,842,976	3,042,587	3,065,960	3,155,533	3,267,030
935,619	1,049,238	1,027,888	1,054,166	1,094,235
3,778,595	4,091,825	4,093,848	4,209,699	4,361,265
<u>\$ 56,713,829</u>	<u>\$ 61,980,768</u>	<u>\$ 63,350,227</u>	<u>\$ 68,980,151</u>	<u>\$ 72,380,014</u>
\$ 410,481	\$ 426,848	\$ 439,465	\$ 717,052	\$ 512,738
1,014,099	1,308,780	1,187,928	1,490,618	1,258,584
192,001	238,880	185,484	262,730	231,662
588,978	616,859	613,925	630,457	695,302
1,169,404	1,530,680	2,103,784	1,952,257	2,293,031
2,367,283	1,583,026	1,964,155	1,313,413	1,508,264
948,560	614,503	670,775	3,547,747	543,710
6,690,806	6,319,576	7,165,516	9,914,274	7,043,291
2,518,919	2,579,136	2,688,905	2,743,860	2,595,055
577,404	617,340	636,414	648,199	560,820
3,096,323	3,196,476	3,325,319	3,392,059	3,155,875
<u>\$ 9,787,129</u>	<u>\$ 9,516,052</u>	<u>\$ 10,490,835</u>	<u>\$ 13,306,333</u>	<u>\$ 10,199,166</u>

(Continued)

TOWN OF ORANGETOWN, NEW YORK

CHANGES IN NET ASSETS (Continued)
LAST NINE FISCAL YEARS

	2003	2004	2005	2006
Net Expense/Revenue:				
Governmental Activities	\$ (36,203,943)	\$ (38,773,308)	\$ (41,200,493)	\$ (39,575,372)
Business-type Activities	(188,948)	(310,104)	(510,777)	(191,695)
Total Primary Government Net Expense	<u>\$ (36,392,891)</u>	<u>\$ (39,083,412)</u>	<u>\$ (41,711,270)</u>	<u>\$ (39,767,067)</u>
General Revenues				
Governmental Activities:				
Taxes:				
Real Property Taxes	\$ 32,310,226	\$ 35,821,410	\$ 37,476,800	\$ 38,677,884
Other Tax Items	263,833	220,730	271,325	260,378
Non-Property Taxes	912,488	953,508	1,005,217	1,037,401
Unrestricted Use of Money and Property	259,948	303,891	152,560	146,170
Sale of Property and Compensation for Loss	-	-	-	-
Unrestricted State aid	3,619,023	3,132,643	3,285,384	3,477,365
Sale of Real Property	-	-	1,717,800	-
Miscellaneous	11,306	1,422,192	22,589	354,416
Transfers	-	-	-	-
Total Governmental Activities	<u>37,376,824</u>	<u>41,854,374</u>	<u>43,931,675</u>	<u>43,953,614</u>
Business-type Activities:				
Unrestricted Use of Money and Property	9,138	4,076	12,272	26,484
Transfers	-	-	-	-
Total Business-type Activities	<u>9,138</u>	<u>4,076</u>	<u>12,272</u>	<u>26,484</u>
Total Primary Government General Revenues	<u>\$ 37,385,962</u>	<u>\$ 41,858,450</u>	<u>\$ 43,943,947</u>	<u>\$ 43,980,098</u>
Change in Net Assets:				
Governmental Activities	\$ 1,172,881	\$ 3,081,066	\$ 2,731,182	\$ 4,378,242
Business-type Activities	(179,810)	(306,028)	(498,505)	(165,211)
Total Primary Government	<u>\$ 993,071</u>	<u>\$ 2,775,038</u>	<u>\$ 2,232,677</u>	<u>\$ 4,213,031</u>

Note: Data not available prior to fiscal 2003 implementation of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

2007	2008	2009	2010	2011
\$ (46,244,428)	\$ (51,569,367)	\$ (52,090,863)	\$ (54,856,178)	\$ (60,975,458)
(682,272)	(895,349)	(768,529)	(817,640)	(1,205,390)
<u>\$ (46,926,700)</u>	<u>\$ (52,464,716)</u>	<u>\$ (52,859,392)</u>	<u>\$ (55,673,818)</u>	<u>\$ (62,180,848)</u>
\$ 41,296,753	\$ 43,736,589	\$ 44,152,419	\$ 46,808,152	\$ 47,278,778
321,817	256,279	224,011	137,824	555,097
1,433,294	1,979,950	1,947,063	2,046,940	2,125,968
155,369	74,058	27,075	27,571	19,589
-	77,132	324,662	42,976	120,700
2,804,656	2,137,807	1,534,541	1,576,583	1,900,245
-	-	-	-	-
125,429	53,985	20,027	27,654	125,828
-	(62,143)	(197,639)	(200,545)	(301,449)
<u>46,137,318</u>	<u>48,253,657</u>	<u>48,032,159</u>	<u>50,467,155</u>	<u>51,824,756</u>
31,817	7,630	3,066	2,965	3,128
-	62,143	197,639	200,545	301,449
<u>31,817</u>	<u>69,773</u>	<u>200,705</u>	<u>203,510</u>	<u>304,577</u>
<u>\$ 46,169,135</u>	<u>\$ 48,323,430</u>	<u>\$ 48,232,864</u>	<u>\$ 50,670,665</u>	<u>\$ 52,129,333</u>
\$ (107,110)	\$ (3,315,710)	\$ (4,058,704)	\$ (4,389,023)	\$ (9,150,702)
(650,455)	(825,576)	(567,824)	(614,130)	(900,813)
<u>\$ (757,565)</u>	<u>\$ (4,141,286)</u>	<u>\$ (4,626,528)</u>	<u>\$ (5,003,153)</u>	<u>\$ (10,051,515)</u>

TOWN OF ORANGETOWN, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

	2003	2004	2005	2006
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	236,895	261,561	1,130,489	1,343,790
Unreserved	3,428,780	4,104,908	5,398,990	4,283,778
Total General Fund	<u>\$ 3,665,675</u>	<u>\$ 4,366,469</u>	<u>\$ 6,529,479</u>	<u>\$ 5,627,568</u>
All Other Governmental Funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	3,291,716	2,611,969	5,633,324	6,525,435
Unreserved, Reported In:				
Special Revenue Funds	2,259,076	2,197,731	3,270,479	6,763,431
Capital Projects Fund	(8,020,192)	(1,719,354)	(7,428,571)	(10,909,908)
Debt Service Fund	534,117	574,000	300,000	300,000
Total All Other Governmental Funds	<u>\$ (1,935,283)</u>	<u>\$ 3,664,346</u>	<u>\$ 1,775,232</u>	<u>\$ 2,678,958</u>
Total Governmental Funds	<u>\$ 1,730,392</u>	<u>\$ 8,030,815</u>	<u>\$ 8,304,711</u>	<u>\$ 8,306,526</u>

Note: Data presented for only nine years so as to coincide with the periods presented in the statistical section for the Town's government-wide financial statements.

- (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.

2007	2008	2009	2010	2011 (1)
\$ -	\$ -	\$ -	\$ -	\$ 4,644,752
-	-	-	-	153,799
-	-	-	-	639,473
-	-	-	-	1,875,878
2,262,121	2,826,249	3,117,664	3,803,349	-
3,464,823	2,937,125	2,955,311	2,971,728	-
<u>\$ 5,726,944</u>	<u>\$ 5,763,374</u>	<u>\$ 6,072,975</u>	<u>\$ 6,775,077</u>	<u>\$ 7,313,902</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,019,846
-	-	-	-	1,042,594
-	-	-	-	66,889
-	-	-	-	10,095,407
-	-	-	-	(4,579,737)
30,681,170	6,426,168	4,756,685	3,591,459	-
8,053,561	7,110,762	8,768,957	8,210,869	-
(54,335,920)	(2,592,395)	(7,983,465)	(3,434,149)	-
550,000	800,000	1,000,000	1,000,000	-
<u>\$ (15,051,189)</u>	<u>\$ 11,744,535</u>	<u>\$ 6,542,177</u>	<u>\$ 9,368,179</u>	<u>\$ 7,644,999</u>
<u>\$ (9,324,245)</u>	<u>\$ 17,507,909</u>	<u>\$ 12,615,152</u>	<u>\$ 16,143,256</u>	<u>\$ 14,958,901</u>

TOWN OF ORANGETOWN, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS

	2003	2004	2005	2006
Revenues				
Real property taxes	\$ 32,310,226	\$ 35,821,410	\$ 37,476,800	\$ 38,677,884
Other tax items	263,833	220,730	271,325	260,378
Non-property taxes	912,488	953,508	1,005,217	1,037,401
Departmental income	2,186,897	2,418,834	2,803,234	3,836,220
Intergovernmental charges	725,324	755,572	840,004	859,750
Use of money and property	600,954	436,298	902,470	2,336,926
Licenses and permits	51,491	35,746	42,185	44,537
Fines and forfeitures	369,107	366,009	349,243	348,161
Sale of property and compensation for loss	11,154	56,808	13,029	71,447
Interfund revenues	3,192,440	2,535,037	2,932,370	3,174,420
State aid	4,669,926	3,559,790	3,632,601	3,905,850
Federal aid	414,462	94,384	199,287	14,317
Miscellaneous	343,993	54,318	911,115	1,660,964
Total Revenues	46,052,295	47,308,444	51,378,880	56,228,255
Expenditures				
Current:				
General government support	7,877,906	7,225,745	7,974,316	6,731,293
Public safety	12,730,981	13,123,161	13,358,406	14,002,004
Health	300,832	394,156	431,221	435,600
Transportation	6,364,096	6,177,303	6,466,919	6,419,782
Economic opportunity and development	113,292	114,896	116,445	118,704
Culture and recreation	1,774,112	1,707,210	1,960,063	2,107,566
Home and community services	5,456,220	5,366,700	6,656,664	6,267,548
Employee benefits	7,017,991	9,350,649	9,562,036	9,914,224
Debt Service:				
Principal	2,154,587	2,375,000	2,330,500	2,575,000
Interest	641,447	657,564	701,369	917,993
Capital Outlay	9,115,725	1,516,137	4,144,845	6,736,726
Total Expenditures	53,547,189	48,008,521	53,702,784	56,226,440
Excess (Deficiency) of Revenues Over Expenditures	(7,494,894)	(700,077)	(2,323,904)	1,815
Other Financing Sources (Uses):				
Bonds issued	700,000	3,925,500	880,000	-
Refunding bonds issued	-	-	510,000	-
Issuance premium	-	-	5,228	-
Payment to refunded bond escrow agent	-	-	(499,830)	-
Sale of real property	-	-	1,717,800	-
Energy performance debt issued	-	-	-	-
Transfers in	332,817	3,358,314	303,739	1,890,968
Transfers out	(332,817)	(283,314)	(303,739)	(1,890,968)
Total Other Financing Sources	700,000	7,000,500	2,613,198	-
Net Change in Fund Balances	\$ (6,794,894)	\$ 6,300,423	\$ 289,294	\$ 1,815
Debt Service as a Percentage of Non-Capital Expenditures	6.3%	6.6%	6.2%	7.1%

Note: Data presented for only nine years so as to coincide with the periods presented in the statistical section for the Town's government-wide financial statements.

2007	2008	2009	2010	2011
\$ 41,296,753	\$ 43,736,589	\$ 44,152,419	\$ 46,808,152	\$ 47,278,778
321,817	256,279	224,011	137,824	555,097
1,433,294	1,979,950	1,947,063	2,046,940	2,125,968
1,975,223	2,247,771	2,386,655	2,636,093	2,798,290
687,954	1,116,109	1,370,624	1,266,789	1,394,266
2,191,565	968,239	303,218	264,464	193,728
41,514	43,082	36,846	49,785	66,874
347,446	367,854	354,445	712,550	354,562
58,566	77,132	324,662	42,976	120,700
3,161,417	3,376,465	3,657,484	3,736,089	3,542,427
3,415,680	2,961,567	2,122,946	2,284,490	2,453,420
213,445	251,124	64,832	318,989	243,043
475,648	394,518	749,025	699,847	1,173,637
55,620,322	57,776,679	57,694,230	61,004,988	62,300,790
8,293,247	9,764,571	9,135,450	10,091,224	9,520,068
14,466,992	14,759,446	14,718,525	15,913,257	16,098,566
437,000	437,150	450,800	463,180	467,140
7,328,220	7,357,366	8,050,598	7,939,533	8,215,879
131,904	140,075	145,840	150,763	157,561
2,226,536	2,314,249	2,089,229	2,214,644	2,523,851
6,586,539	6,697,549	7,437,513	8,137,708	8,129,463
10,416,354	10,784,383	11,127,923	12,011,600	13,612,715
1,550,000	1,405,000	2,255,965	2,440,679	2,836,121
1,710,790	2,039,675	1,961,985	1,661,303	1,702,627
20,103,511	22,606,136	8,370,520	5,235,332	4,788,899
73,251,093	78,305,600	65,744,348	66,259,223	68,052,890
(17,630,771)	(20,528,921)	(8,050,118)	(5,254,235)	(5,752,100)
-	47,423,218	1,255,000	8,695,000	4,869,194
-	-	-	-	-
-	-	-	287,884	-
-	-	-	-	-
-	-	-	-	-
-	-	2,100,000	-	-
999,784	642,280	541,816	1,329,957	38,661
(999,784)	(704,423)	(739,455)	(1,530,502)	(340,110)
-	47,361,075	3,157,361	8,782,339	4,567,745
\$ (17,630,771)	\$ 26,832,154	\$ (4,892,757)	\$ 3,528,104	\$ (1,184,355)
6.3%	6.2%	7.5%	6.8%	7.2%

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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

Year	Residential Property	Commercial Property	Total Taxable Assessed Value	State Special Equalization Rate (1)
2002	\$ 2,709,978,723	\$ 1,296,693,142	\$ 4,006,671,865	70.47 %
2003	2,732,140,845	1,269,342,179	4,001,483,024	63.54
2004	2,749,735,009	1,264,799,659	4,014,534,668	57.50
2005	2,776,093,702	1,247,789,260	4,023,882,962	49.50
2006	2,766,818,446	1,233,462,394	4,000,280,840	44.75
2007	2,801,261,842	1,203,356,673	4,004,618,515	41.35
2008	2,824,291,936	1,182,452,709	4,006,744,645	43.30
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

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 such a calculation 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)	
\$	5,685,641,926	\$	7.8011
	6,297,581,089		8.0746
	6,981,799,423		8.9229
	8,129,056,489		9.3136
	8,939,175,061		9.6688
	9,684,688,065		10.3123
	9,253,451,836		10.9157
	9,225,176,110		10.9396
	8,245,583,931		11.6037
	7,958,365,970		11.7844

TOWN OF ORANGETOWN, NEW YORK

DIRECT AND OVERLAPPING PROPERTY TAX RATES,
PER \$1,000 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS

Year	Total Effective Tax Rate (1)	School Districts - Range	
		Homestead	Non-Homestead
2002	\$ 7.8011	\$ 18.4969 - \$ 26.3819	\$ 30.0242 - \$ 34.8142
2003	8.0746	20.5069 - 29.1903	31.3275 - 38.5087
2004	8.9229	21.6195 - 30.4055	35.2036 - 40.1077
2005	9.3136	24.2035 - 32.3692	38.0271 - 42.6474
2006	9.6688	23.1311 - 30.1821	37.8253 - 39.7330
2007	10.3123	25.2791 - 32.7840	39.6200 - 42.4660
2008	10.9157	28.0407 - 38.6669	44.6672 - 50.4921
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	28.29053 - 37.2944	47.2649 - 51.7397

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 such a calculation 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	
\$	2.9488	\$	2.9488
	2.7935		2.7935
	2.7935		2.7935
	2.8044		2.8044
	2.4980		2.4980
	2.8870		2.8865
	3.5060		3.5060
	3.1316		3.1316
	3.3264		3.3264
	3.3103		3.3103

TOWN OF ORANGETOWN, NEW YORK

PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

2011				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Wyeth (formerly known as American Cyanamid)	Pharmaceuticals	\$ 366,184,700	9.11 %
2	Palisades Interstate Park	State Lands	84,650,822	2.11
3	Orange & Rockland Utilities, Inc.	Public Utility	54,247,803	1.35
4	Glorious Sun Robert f/k/a Blue Hill Plaza, Inc.	Office Complex	51,336,000	1.28
5	Spring Valley Water Co.	Public Utility	39,510,009	0.98
6	Verizon - Cellco	Public Utility	34,305,505	0.85
7	International Business Machines	Commercial	32,000,000	0.80
8	Pontiac Holdings/Bradley Industrial Park	Industrial	25,422,513	0.63
9	New Car Company Acquisitions	Vehicle Manufacturer	9,760,700	0.24
10	Clarins USA Inc.	Perfume	8,660,000	0.22
Total			<u>\$ 706,078,052</u>	<u>17.57 %</u>

2002				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	American Home Products f/k/a American Cyanamid	Industrial	\$ 399,773,900	9.98 %
2	Glorious Sun Robert f/k/a Blue Hill Plaza, Inc.	Office Complex	75,000,000	1.87
3	Palisades Interstate Park	State Lands	54,710,721	1.37
4	Orange & Rockland Utilities, Inc.	Public Utility	43,898,285	1.10
5	International Business Machines	Commercial	40,000,000	1.00
6	Verizon NYNEX	Public Utility	39,106,113	0.98
7	United Water Co.	Public Utility	16,460,448	0.41
8	Manhattan Woods f/k/a Lee Partners, LP	Commercial	15,892,800	0.40
9	Pontiac Holdings	Industrial	14,939,163	0.37
10	Orangeburg Salisbury Corp f/k/a World Wide Holdings	Holding Corp.	9,294,400	0.23
Total			<u>\$ 709,075,830</u>	<u>17.71 %</u>

TOWN OF ORANGETOWN, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

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
2002	\$ 31,256,624	\$ 31,256,624	100.00 %	\$ -	\$ 31,256,624	100.00 %
2003	32,310,226	32,310,226	100.00	-	32,310,226	100.00
2004	35,821,410	35,821,410	100.00	-	35,821,410	100.00
2005	37,476,800	37,476,800	100.00	-	37,476,800	100.00
2006	38,677,884	38,677,884	100.00	-	38,677,884	100.00
2007	41,296,753	41,296,753	100.00	-	41,296,753	100.00
2008	43,736,589	43,736,589	100.00	-	43,736,589	100.00
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

(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

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information

TOWN OF ORANGETOWN, NEW YORK

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Percentage of Actual Taxable Value of Property	Per Capita (1)
	General Obligation Bonds	Less Debt Service Funds Available	Net		
2002	\$ 17,869,587	\$ 1,976,523	\$ 15,893,064	0.28 %	\$ 330.27
2003	16,415,000	2,354,159	14,060,841	0.22	292.52
2004	17,965,500	1,949,476	16,016,024	0.23	331.84
2005	16,525,000	1,730,992	14,794,008	0.18	305.55
2006	13,950,000	2,971,459	10,978,541	0.12	226.31
2007	12,400,000	3,350,710	9,049,290	0.09	186.63
2008	58,418,218	4,144,621	54,273,597	0.59	1,120.87
2009	57,417,253	3,326,295	54,090,958	0.59	1,117.10
2010	63,671,574	3,148,578	60,522,996	0.73	1,240.43
2011	65,794,492	2,217,006	63,577,486	0.80	1,291.91

(1) - 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

Business- type Activities		Total Primary Government	Percentage of Personal Income (1)		Per Capita (1)
General Obligation Bonds					
\$	4,565,000	\$ 20,458,064	1.28	%	\$ 425.14
	4,270,000	18,330,841	1.15		381.35
	3,960,000	19,976,024	1.25		413.88
	3,670,000	18,464,008	1.15		381.35
	3,335,000	14,313,541	0.89		295.05
	2,975,000	12,024,290	0.75		247.98
	5,517,500	59,791,097	3.72		1,234.82
	5,073,465	59,164,423	3.68		1,221.88
	5,913,426	66,436,422	3.47		1,361.63
	5,359,703	68,937,189	3.72		1,400.82

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TOWN OF ORANGETOWN, NEW YORK

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2011

<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	\$ 366,478,063	20.00 %	\$ 73,295,613
School Districts (June 30, 2011):			
Nanuet UFSD	38,351,600	45.34	17,388,615
Nyack UFSD	9,615,000	40.87	3,929,651
Pearl River UFSD	22,775,000	100.00	22,775,000
South Orangetown CSD	29,300,013	100.00	29,300,013
Villages (May 31, 2011):			
Grand View-on-Hudson	-	100.00	-
Nyack	4,040,000	96.20	3,886,480
Piermont	2,630,000	100.00	2,630,000
South Nyack	970,000	100.00	970,000
Net Overlapping Debt			154,175,372
Town Direct Debt (2)			65,794,492
Net Direct and Overlapping Debt			<u>\$ 219,969,864</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

	2002	2003	2004	2005
Debt Limit	\$ 325,359,215	\$ 356,667,881	\$ 397,143,678	\$ 448,244,444
Total Net Debt Applicable to Limit	19,550,000	18,000,000	19,280,000	28,085,000
Legal Debt Margin	\$ 305,809,215	\$ 338,667,881	\$ 377,863,678	\$ 420,159,444
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.01%	5.05%	4.85%	6.27%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessment Roll		Assessed Valuation	State Special Equalization Ratio	Full Valuation
Year	Budget Year			
2010	2011	\$ 4,018,974,815	50.50 %	\$ 7,958,365,970
2009	2010	4,036,213,334	48.95	8,245,583,931
2008	2009	4,036,014,548	43.75	9,225,176,110
2007	2008	4,006,744,645	43.30	9,253,451,836
2006	2007	4,004,618,515	41.35	9,684,688,065
Total Five Year Full Valuation				\$ 44,367,265,912
Five Year Average Full Valuation of Taxable Real Property				8,873,453,182
Debt Limit - 7% of Five Year Average Full Valuation				621,141,723
Outstanding Town Debt:				
	Serial Bonds		\$ 71,154,195	
	Bond Anticipation Notes		1,800,000	72,954,195
Less - Appropriations in 2012 Budget				5,402,025
Net Indebtedness Subject to Debt Limit				67,552,170
Net Debt Contracting Margin				\$ 553,589,553

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 504,465,556	\$ 560,452,202	\$ 601,834,392	\$ 633,241,666	\$ 634,873,050	621,141,723
<u>46,700,000</u>	<u>53,625,616</u>	<u>79,015,718</u>	<u>70,786,022</u>	<u>69,978,659</u>	<u>67,552,170</u>
<u>\$ 457,765,556</u>	<u>\$ 506,826,586</u>	<u>\$ 522,818,674</u>	<u>\$ 562,455,644</u>	<u>\$ 564,894,391</u>	<u>\$ 553,589,553</u>
9.26%	9.57%	13.13%	11.18%	11.02%	10.88%

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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

TOWN OF ORANGETOWN, NEW YORK

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year Ended June 30,</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Town Unemployment Rate (3)</u>
2002	48,121	\$ 1,596,173,570	\$ 33,170	4.2 %
2003	48,068	1,594,415,560	33,170	4.4
2004	48,265	1,600,950,050	33,170	4.0
2005	48,418	1,606,025,060	33,170	3.7
2006	48,512	1,609,143,040	33,170	3.5
2007	48,489	1,608,380,130	33,170	3.6
2008	48,421	1,606,124,570	33,170	4.4
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

Sources:

(1) Source: New York State Empire Development (Latest data is 2010)

(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>	2011	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Pfizer	1,950	7.22 %
Nyack Hospital	1,650	6.11
Rockland Psychiatric Center	1,345	4.98
Nice-Pak	912	3.38
Verizon Wireless	850	3.15
Orange and Rockland Utilities	792	2.93
Camp Venture	625	2.31
Lamont-Doherty Earth Observatory	480	1.78
Dominican College	445	1.65
Chromalloy New York	374	1.39
	<u>9,423</u>	<u>34.90 %</u>

<u>EMPLOYER</u>	2002	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Wyeth	2,800	10.77 %
Nyack Hospital	1,500	5.77
Orange and Rockland Utilities	1,196	4.60
Bell Atlantic NYNEX Mobile	843	3.24
Materials Research Corporation	600	2.31
Lamont-Doherty Earth Observatory	600	2.31
Chromalloy New York	500	1.92
Pavion, Ltd.	450	1.73
Insurances Services Office	450	1.73
St. Dominics Home	400	1.54
	<u>9,339</u>	<u>35.92 %</u>

Source: Rockland Economic Development Corporation

Note: Based upon estimated Town employment of 27,000 in 2011. Data used for 2002 was based off 2004 information, with estimated Town employment of 26,000. Data for 2002 was not available.

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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 NINE FISCAL YEARS

Function	Full-time Equivalent Employees as of December 31,			
	2003	2004	2005	2006
General Government	52	45	48	48
Public Safety	118	119	116	112
Culture and Recreation	25	28	26	27
Transportation	57	57	57	58
Home and Community Services	37	37	39	40
Total	289	286	286	285

Source: Town's Finance Department

Note: Data presented for only nine years so as to coincide with the periods presented in the statistical section for the Town's government-wide financial statements.

2007	2008	2009	2010	2011
51	52	52	65	64
117	117	117	109	105
26	25	25	24	24
58	58	58	57	55
41	40	40	39	39
293	292	292	294	287

TOWN OF ORANGETOWN, NEW YORK

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2002	2003	2004	2005
General Government Support:				
Town Clerk:				
Marriage licenses	496	440	527	522
Death certificates	1,041	810	876	986
Assessor:				
Enhanced STAR applications	2,127	2,124	2,169	2,181
Basic Star applications	8,363	8,633	8,819	8,981
Tax parcels	15,875	15,933	15,943	15,955
Public Safety:				
Building Activity:				
Building permits issued	932	949	900	865
Estimated cost of construction (1)	72,037,183	49,153,880	54,177,679	60,634,797
New 1 and 2 family dwellings	43	34	37	37
Police:				
Physical arrests	632	611	590	518
Calls for service	38,805	40,793	41,204	40,176
Parking violations	1,875	1,260	1,368	1,170
Traffic violations	6,834	6,164	5,939	6,051
Driving under the influence cases	61	58	114	55
Drug violations	38	45	83	56
Burglary / breaking and entry	137	77	72	98
Total criminal offenses	2,803	2,444	2,459	2,287
Culture and Recreation:				
Recreation:				
Blue Hill golf course rounds	70,694	66,761	66,131	62,122
Broadacres golf course rounds (2)	NA	NA	15,300	16,905
Resident golf permits	2,585	2,533	2,610	2,566
Transportation:				
Total roads resurfaced (%)	14%	10%	8%	10%

Note: "NA" indicates data not available.

Sources: Various Town departments

(1) 2006 and 2007 estimated cost of construction reflects large multi-family senior housing complexes.

(2) The Town began operating Broadacres Golf Course in 2004.

2006	2007	2008	2019	2010	2011
565	477	406	425	355	408
929	872	916	972	998	1,158
2,098	2,050	2,061	2,029	2,030	2,068
9,409	9,420	9,620	9,732	9,742	9,693
16,021	16,154	16,288	16,304	16,309	16,324
891	738	871	767	870	775
494,866,086	435,470,761	55,864,530	29,799,418	47,500,134	64,566,044
39	20	20	16	13	10
597	515	432	708	986	778
44,319	48,258	55,349	44,996	34,109	30,534
853	954	1,189	705	590	457
6,611	7,327	6,611	7,552	6,998	4,445
64	81	72	44	72	67
78	114	125	141	127	71
69	44	50	49	67	50
2,265	2,276	2,410	2,249	1,990	1,774
65,304	61,804	62,924	59,887	58,286	53,697
19,367	18,510	19,366	20,859	19,872	16,994
2,474	2,499	2,353	2,507	2,577	2,466
12%	10%	10%	12%	12%	12%

TOWN OF ORANGETOWN, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2002	2003	2004	2005
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	1	1	1	1
Transportation:				
Town roads maintained (miles)	140	140	143	143
State roads maintained (miles)	40	40	45	45
County roads maintained (miles)	42	42	16	16
Number of traffic lights	29	29	29	29
Number of parking meters	440	440	440	413
Culture and Recreation:				
Number of history museums	1	1	1	1
Number of parks	23	23	24	24
Acres of parks	665	665	881	881
Number of golf courses	1	1	2	2
Playgrounds	6	6	6	6
Baseball / Softball	10	10	10	10
Multi-use fields	6	6	6	6
Basketball courts	6	6	6	6
Rail trails	1	1	1	1
Tennis courts	12	12	15	15
Home and Community Services:				
Number of sewer pumping stations	42	42	44	44
Miles of sanitary sewers	200	200	200	200

Note: "NA" indicates data not available.

Source: Various Town departments

2006	2007	2008	2009	2010	2011
1	1	1	1	1	1
3	3	3	3	3	3
2	2	2	2	2	2
143	143	145	145	147	147
45	45	45	45	45	45
16	16	16	16	16	16
29	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
10	10	16	16	16	16
6	6	12	12	12	12
6	6	6	6	6	6
1	1	1	1	1	1
15	15	15	15	15	15
44	48	48	48	48	48
200	200	200	200	200	200

