

TOWN OF KENT, NEW YORK
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2010
WITH INDEPENDENT AUDITORS' REPORT

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TOWN OF KENT, NEW YORK

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Kent, New York as of and for the year ended December 31, 2010, 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 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 basic 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 basic financial statements and 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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Kent, New York as of December 31, 2010 and the respective changes in financial position thereof, and the respective budgetary comparison for the General, Highway and Special Districts funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the 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 of Kent, New York'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 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP

Harrison, New York

October 3, 2011

**Town of Kent, New York
Management's Discussion and Analysis
December 31, 2010**

The purpose of Management's Discussion and Analysis (MD&A) is to provide the reader with a summary overview of the financial activities of the Town of Kent, New York (Town) for the calendar year ending December 31, 2010. The MD&A is a summary and in no way is a substitute for the detailed information presented in the basic financial statements and other financial information and the accompanying notes to the financial statements that follow this section.

Financial Highlights for Calendar Year 2010

- On the government-wide financial statements, the Town had net assets (assets exceeding liabilities) of \$24,976,953 at calendar year end 2010. Unrestricted net assets, which are available to meet the ongoing obligations of the Town totaled \$162,085. The Town's net assets decreased by \$717,217 from calendar year end 2009 to calendar year end 2010. This is a result of many factors, including the post employment benefit cost expense as actuarially determined in accordance with GASB 45.
- The Town's governmental funds combined ending fund balances at December 31, 2010 were \$6,743,208. The total unreserved fund balances for governmental funds is \$5,649,558 at December 31, 2010.
- At the end of the current calendar year, unreserved fund balance for the General Fund was \$3,981,325 or 40.87% of the total General Fund expenditures and other financing uses.
- The Town did not issue in serial bonds during calendar year ending 2010.
- The Town issued \$213,226 in statutory bonds in 2010.

Overview of the Financial Statements

The Town's financial statements are composed of this MD&A and the basic financial statements. The MD&A serves as an introduction to the basic financial statements. The MD&A is an analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The government-wide financial statements are prepared using the accrual basis of accounting and are presented in a format similar to private sector financial statements.

The components of the government-wide financial statements are as follows:

- The statement of net assets reports the Town's total assets, liabilities, and the difference, or net assets. The intention is that, over time, the changes in net assets will indicate whether the Town's financial position is improving or deteriorating.
- The statement of activities indicates how the Town's net assets changed from the prior calendar year. Changes in net assets are reported as soon as the underlying event occurs, without regard to the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as uncollected taxes.

The statement of activities indicates the functions of the Town that are principally supported by taxes and intergovernmental revenues for governmental services. The governmental activities of the Town include: general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the Town funds can be divided into two categories: governmental funds and fiduciary funds. Governmental funds use the modified accrual basis of accounting.

Governmental Funds - are used to account for the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the calendar year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and

changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains the following governmental funds: General Fund, Special Revenue Funds (including Highway Fund, Special Districts Fund and the Special Purpose Fund) and Capital Projects Fund. Information is presented separately for each fund. Individual sub-fund data for the Special Districts Fund is provided in combining statements and schedules.

The Town adopts annual appropriated budgets for the General Fund, Highway Fund and the Special Districts Fund. Budgetary comparisons have been provided in the basic financial statements to demonstrate compliance with those budgets.

Fiduciary Funds - are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of these funds are not available to support the Town's own programs. The Town maintains one type of fiduciary fund, which is the Agency Fund. The Agency Fund maintains assets held for the benefit of others.

Notes to the Financial Statements - provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements.

Government-wide Financial Analysis

As indicated previously, net assets and changes to net assets over time are expected to be a useful indicator of a government's financial position. The Town's net assets at calendar year end December 31, 2010 and 2009 were \$24,976,953 and \$25,694,210 respectively. Almost 3% of the Town's 2010 net assets are restricted for various purposes (repairs, capital projects, future capital projects, debt service and special revenue funds). Investments in capital assets, less any outstanding debt used to acquire those assets, account for 97% of the total net assets. The Town uses these assets to provide services to citizens. Consequently, the assets cannot be used 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 capital assets cannot be used to liquidate these liabilities.

A summary of the Town's net assets, at December 31, 2010 and 2009 is as follows:

**Governmental Activities
Net Assets**

	December 31, 2010	December 31, 2009
Current Assets	\$ 7,118,003	\$ 5,721,203
Capital Assets, Net	27,767,511	27,890,306
Total Assets	34,885,514	33,611,509
Current Liabilities	422,172	374,571
Long-Term Liabilities	9,486,389	7,542,728
Total Liabilities	9,908,561	7,917,299
Net Assets:		
Invested in Capital Assets, Net of Related Debt	24,258,349	24,200,417
Restricted	556,519	616,323
Unrestricted	162,085	877,470
Total Net Assets	\$ 24,976,953	\$ 25,694,210

Restricted assets, which represent resources that are subject to external constraints on how they may be used, are approximately two percent of the total net assets. The unrestricted net assets, or about one percent, may be used to meet the Town's ongoing financial obligations.

In 2010, The Town's net assets, which relate solely to governmental activities, decreased by \$717,257 and are discussed in the next section.

Governmental Activities - account for the decrease in the Town's net assets. A summary of the Town's change in net assets, at December 31, 2010 and 2009 is as follows:

Changes in Net Assets

	December 31, 2010	December 31, 2009
Revenues:		
Program Revenues:		
Charges for Services	\$ 951,346	\$ 966,167
Operating Grants and Contributions	90,443	179,071
Capital Grants and Contributions	611,211	201,670
General Revenues:		
Real Property Taxes	14,292,723	14,235,319
State Aid - unrestricted	348,144	336,631
Other Tax Items	60,872	59,921
Non-Property Taxes	230,901	192,507
Unrestricted Use of Money and Property	53,933	97,941
Sale of Property and Compensation for Loss	61,947	38,439
Donated Assets	92,929	-
Miscellaneous	61,273	70,214
Total Revenues	16,855,722	16,377,880
Program Expenses:		
General Government Support	3,456,941	3,591,400
Public Safety	5,810,511	5,476,851
Health	5,783	5,522
Transportation	3,755,463	3,762,653
Economic Opportunity and Development	16,657	29,000
Culture and Recreation	2,005,317	2,169,521
Home and Community Services	2,352,019	2,001,194
Interest	170,288	181,566
Total Expenses	17,572,979	17,217,707
Decrease in Net Assets	\$ (717,257)	\$ (839,827)

The major revenue categories are: real property taxes, 85%, State aid 2%, charges for services 6% and capital grants 4%. The major expenditure categories are: public safety 33%, transportation 21%, general government support 20%, culture and recreation 11%, and home and community services 13%.

Financial Analysis of the Town's Funds

As previously indicated, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds - are used to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Town's financing requirements. The unreserved portion of fund balance can provide a useful measure of a government's net resources available for spending at the end of the calendar year. The Town's governmental funds reported total fund balances of \$6,743,208 and \$5,395,871 at December 31, 2010 and 2009, respectively. Approximately, \$5,649,558 or about 83% of the 2010 total constitutes unreserved fund balance. The reserved fund balances are not available for new spending, because they have been committed to: prepaid expenditures (\$692,442), repairs (\$106,931), future capital projects (\$129), debt service (\$185,603) and parklands (\$108,545).

The General Fund is the Town's primary operating fund. At the end of the calendar year, the unreserved fund balance was \$3,981,325 and the total fund balance was \$4,528,447. As a measure of the General Fund's liquidity, it is useful to compare both the unreserved fund balance and the total fund balance to total General Fund expenditures and other financing uses. The unreserved fund balance represents approximately 41% and the total fund balance represents approximately 46% of General Fund expenditures and other financing uses.

The fund balance in the Town's General Fund decreased by \$190,693 during the current calendar year. The primary reasons for the decrease were the decrease in real property taxes and the transfer of cash to other funds workman's compensation reimbursement in excess of anticipated amounts and the decrease in expenditures in general government support, public safety, culture and recreation, and home and community services as compared with estimated expenditures.

The fund balance in the Town Highway Fund increased by \$494,001 during the current calendar year. The primary reason for the fund balance increase was a decrease in current year expenditures.

The fund balance for the Capital Projects Fund increased by \$904,778 during the current calendar year. The primary reason for the fund balance increase was an increase in state aid and a decrease in capital outlay expenditures.

General Fund Budgetary Highlights

The difference between the original and final budgets for revenues and other financing sources is \$45,207 with the final amended budget more than the original budget. The increases relate to: sale of property and compensation for loss of \$26,318 and miscellaneous revenue of \$18,889.

The difference between the original and final budgets for expenditures and other financing uses is also \$45,207 with the final amended budget more than the original budget. The differences relate to: General Government Support (increase \$153,154), Public Safety (increase \$48,379), transportation (increase \$26,318), Culture and Recreation (increase \$1,305), Home and Community Services (increase \$241) and other financing uses - Transfers Out (increase \$930,285).

Capital Assets and Debt Administration

Capital Assets - at December 31, 2010 for governmental activities was \$27,767,511 net of accumulated depreciation of \$7,252,200. The investment in capital assets includes: land, buildings and improvements, machinery and equipment and infrastructure.

The major capital asset activity (increase) during the current calendar year included various equipment items for general government support, public safety and recreation purposes – net of retirements (\$405,191) and land (92,929).

Capital Assets (Net of Accumulated Depreciation) December 31,

	2010	2009
Land	\$ 16,345,620	\$ 16,252,691
Buildings and Improvements	9,207,777	9,520,947
Machinery and Equipment	1,344,632	1,227,066
Infrastructure	869,482	889,602
 Total Capital Assets	 \$ 27,767,511	 \$ 27,890,306

Additional information on the Town's capital assets is available in the Notes to Financial Statements.

Outstanding Debt - at the end of calendar year 2010 the Town had a total of \$3,497,551 general obligation bonds outstanding. All of the debt is backed by the full faith and credit of the Town.

New York State statutes place a limit on the maximum amount of total outstanding long-term debt that may be incurred by a local municipal entity at no more than seven percent of the five-year average full valuation of all real property. The Town's current constitutional debt limitation is \$129,989,318 and the Town has consumed 2.69% of the debt contracting capacity.

Additional information on the Town's debt is available in the Notes to Financial Statements.

Economic Factors and Next Year's Budget and Rates

New construction and development continued to slow down in the Town during 2010, due to the ongoing downturn in the housing market. Interest rates remained low during the year 2010. In the last few years, the historically low interest rates had led to new and refinanced mortgages, providing significant mortgage tax revenues to the Town, this changed starting in 2009 and continued in 2010 as there has been a decline in home prices due to fear in the economy. This has caused a decrease in the number of home sales and mortgage refinancings. For 2011, the mortgage tax revenues are not expected to continue at the same levels as in previous years. There are few signs that the housing market may rebound later in 2011, and much of the real estate activity involves sale of foreclosed homes and homes facing foreclosure.

Another major uncertainty is the cost of retirement benefits. They are increasing substantially.

The costs of employee and retiree health insurance premiums have also been escalating at the same time.

All of these factors were considered by management in preparing the Town's 2011 budget, which contained a very small increase over the 2010 budget.

After the budget for 2011 was prepared, the economy continued to decline. The various stimulus packages made some capital available for borrowing, but did not have much effect on the overall economy. Uncertainty in the economic forecasts is leading to a lack of investment and high unemployment.

Requests for Information

This financial report is designed to provide a general overview of the finances of the Town of Kent, New York. Questions about this report should be addressed to G. Peter Peloquin, Town Accountant, Town of Kent, 25 Sybil's Crossing, Kent Lakes, New York 10512.

TOWN OF KENT, NEW YORK

STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 5,892,171
Receivables:	
Accounts	265,764
State and Federal aid	212,329
Due from other governments	55,297
Prepaid expenses	692,442
Capital assets (net of accumulated depreciation):	
Land	16,345,620
Buildings and improvements	9,182,488
Machinery and equipment	1,369,921
Infrastructure	869,482
	<u>34,885,514</u>
Total Assets	
LIABILITIES	
Accounts payable	316,571
Accrued liabilities	58,224
Accrued interest payable	47,377
Non-current liabilities:	
Due within one year:	
Bonds payable	435,771
Capital lease payable	11,611
Compensated absences	6,000
Due in more than one year:	
Bonds payable	3,061,780
Compensated absences	54,297
Other post employment benefit obligations payable	5,916,930
	<u>9,908,561</u>
Total Liabilities	
NET ASSETS	
Invested in capital assets, net of related debt	24,258,349
Restricted for:	
Repairs	106,931
Capital projects	80,876
Future capital projects	129
Debt service	185,603
Special Revenue Funds -	
Special districts	74,435
Special purpose	108,545
Unrestricted	162,085
	<u>24,976,953</u>
Total Net Assets	<u>\$ 24,976,953</u>

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

TOWN OF KENT, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	General	Highway	Special Districts	Special Purpose
ASSETS				
Cash and Equivalents	\$ 1,575,792	\$ -	\$ 3,740,884	\$ 108,545
Receivables:				
Accounts	257,636	7,842	286	-
State and Federal aid	21,275	-	-	-
Due from other governments	-	-	-	-
Due from other funds	3,553,617	938,669	390,986	-
	<u>3,832,528</u>	<u>946,511</u>	<u>391,272</u>	<u>-</u>
Prepaid Expenditures	361,519	211,728	119,195	-
Total Assets	<u>\$ 5,769,839</u>	<u>\$ 1,158,239</u>	<u>\$ 4,251,351</u>	<u>\$ 108,545</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 223,501	\$ 3,190	\$ 47,687	\$ -
Accrued liabilities	49,370	-	8,854	-
Due to other funds	968,521	37,461	3,250,675	-
Total Liabilities	<u>1,241,392</u>	<u>40,651</u>	<u>3,307,216</u>	<u>-</u>
Fund Balances:				
Reserved for prepaid expenditures	361,519	211,728	119,195	-
Reserved for repairs	-	-	106,931	-
Reserved for future capital projects	-	-	129	-
Reserved for debt service	185,603	-	-	-
Reserved for parklands	-	-	-	108,545
Unreserved, reported in:				
General Fund	3,981,325	-	-	-
Special Revenue Funds	-	905,860	717,880	-
Capital Projects Fund	-	-	-	-
Total Fund Balances	<u>4,528,447</u>	<u>1,117,588</u>	<u>944,135</u>	<u>108,545</u>
Total Liabilities and Fund Balances	<u>\$ 5,769,839</u>	<u>\$ 1,158,239</u>	<u>\$ 4,251,351</u>	<u>\$ 108,545</u>

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

Capital Projects	Total Governmental Funds
\$ 466,950	\$ 5,892,171
-	265,764
191,054	212,329
55,297	55,297
<u>1,018,628</u>	<u>5,901,900</u>
<u>1,264,979</u>	<u>6,435,290</u>
-	692,442
<u>\$ 1,731,929</u>	<u>\$ 13,019,903</u>
\$ 42,193	\$ 316,571
-	58,224
<u>1,645,243</u>	<u>5,901,900</u>
<u>1,687,436</u>	<u>6,276,695</u>
-	692,442
-	106,931
-	129
-	185,603
-	108,545
-	3,981,325
-	1,623,740
44,493	44,493
<u>44,493</u>	<u>6,743,208</u>
<u>\$ 1,731,929</u>	<u>\$ 13,019,903</u>

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TOWN OF KENT, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2010

Fund Balances - Total Governmental Funds	\$	6,743,208
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.		27,767,511
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued interest payable		(47,377)
Bonds payable		(3,497,551)
Capital lease payable		(11,611)
Compensated absences		(60,297)
Other post employment benefit obligations payable		<u>(5,916,930)</u>
Net Assets of Governmental Activities	\$	<u>24,976,953</u>

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

TOWN OF KENT, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2010

	General	Highway	Special Districts	Special Purpose
Revenues:				
Real property taxes	\$ 7,378,792	\$ 3,513,039	\$ 3,400,892	\$ -
Other tax items	60,872	-	-	-
Non-property taxes	230,901	-	-	-
Departmental income	748,408	-	13,203	5,500
Use of money and property	53,933	9,303	8,842	716
Licenses and permits	4,005	-	-	-
Fines and forfeitures	554,875	-	-	-
Sale of property and compensation for loss	61,947	2,173	5,503	-
State aid	394,253	-	10,030	-
Miscellaneous	61,273	13,470	7,581	-
Total Revenues	9,549,259	3,537,985	3,446,051	6,216
Expenditures:				
Current:				
General government support	2,805,043	-	-	-
Public safety	3,502,157	-	1,282,272	-
Health	4,093	-	-	-
Transportation	261,418	2,197,004	-	-
Economic opportunity and development	16,657	-	-	-
Culture and recreation	1,149,534	-	436,033	-
Home and community services	270,707	-	1,077,901	-
Employee benefits	381,493	745,317	405,935	-
Debt service:				
Principal	257,526	96,427	40,000	-
Interest	161,039	5,236	5,875	-
Capital outlay	-	-	-	-
Total Expenditures	8,809,667	3,043,984	3,248,016	-
Excess (Deficiency) of Revenues Over Expenditures	739,592	494,001	198,035	6,216
Other Financing Sources (Uses):				
Bonds issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(930,285)	-	(65,000)	-
Total Other Financing Sources (Uses)	(930,285)	-	(65,000)	-
Net Change in Fund Balances	(190,693)	494,001	133,035	6,216
Fund Balances (Deficits) - Beginning of Year	4,719,140	623,587	811,100	102,329
Fund Balances - End of Year	\$ 4,528,447	\$ 1,117,588	\$ 944,135	\$ 108,545

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

Capital Projects	Total Governmental Funds
\$ -	\$ 14,292,723
-	60,872
-	230,901
-	767,111
-	72,794
-	4,005
-	554,875
-	69,623
386,016	790,299
225,195	307,519
<u>611,211</u>	<u>17,150,722</u>
-	2,805,043
-	4,784,429
-	4,093
-	2,458,422
-	16,657
-	1,585,567
-	1,348,608
-	1,532,745
-	393,953
-	172,150
914,944	914,944
<u>914,944</u>	<u>16,016,611</u>
<u>(303,733)</u>	<u>1,134,111</u>
213,226	213,226
995,285	995,285
-	(995,285)
<u>1,208,511</u>	<u>213,226</u>
904,778	1,347,337
<u>(860,285)</u>	<u>5,395,871</u>
<u>\$ 44,493</u>	<u>\$ 6,743,208</u>

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TOWN OF KENT, 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, 2010

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,347,337</u>
<p>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 outlays in the current period. This amount may be less than the total capital outlay since capital outlay includes amounts under the capitalization threshold that are not capitalized.</p>	
Capital outlay expenditures	430,480
Depreciation expense	<u>(646,204)</u>
	<u>(215,724)</u>
The net effect of various miscellaneous transactions involving donated capital assets	<u>92,929</u>
<p>Issuance of long-term debt (e.g. bonds, leases) provides current financial sources to governmental funds, but issuance of long-term 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.</p>	
Bonds issued	(213,226)
Principal paid on bonds	360,200
Principal paid on capital leases	<u>33,753</u>
	<u>180,727</u>
<p>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.</p>	
Accrued interest	1,862
Compensated absences	(71)
Other post employment benefit obligations	<u>(2,124,317)</u>
	<u>(2,122,526)</u>
Change in Net Assets of Governmental Activities	<u>\$ (717,257)</u>

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

TOWN OF KENT, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL, HIGHWAY AND SPECIAL DISTRICTS FUNDS
 YEAR ENDED DECEMBER 31, 2010

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 7,378,792	\$ 7,378,792	\$ 7,378,792	\$ -
Other tax items	52,000	52,000	60,872	8,872
Non-property taxes	175,000	175,000	230,901	55,901
Departmental income	975,666	975,666	748,408	(227,258)
Use of money and property	100,000	100,000	53,933	(46,067)
Licenses and permits	1,800	1,800	4,005	2,205
Fines and forfeitures	422,000	422,000	554,875	132,875
Sale of property and compensation for loss	-	26,318	61,947	35,629
State aid	295,920	314,809	394,253	79,444
Miscellaneous	-	-	61,273	61,273
Total Revenues	9,401,178	9,446,385	9,549,259	102,874
Expenditures:				
Current:				
General government support	2,946,263	2,915,227	2,805,043	110,184
Public safety	3,563,629	3,612,008	3,502,157	109,851
Health	6,361	6,361	4,093	2,268
Transportation	247,015	273,333	261,418	11,915
Economic opportunity and development	27,500	27,500	16,657	10,843
Culture and recreation	1,393,437	1,394,742	1,149,534	245,208
Home and community services	348,875	349,116	270,707	78,409
Employee benefits	353,182	353,182	381,493	(28,311)
Debt service:				
Principal	257,526	257,526	257,526	-
Interest	161,807	161,807	161,039	768
Total Expenditures	9,305,595	9,350,802	8,809,667	541,135
Excess (Deficiency) of Revenues Over Expenditures	95,583	95,583	739,592	644,009
Other Financing Uses - Transfers out	(125,583)	(1,055,868)	(930,285)	125,583
Net Change in Fund Balances	(30,000)	(960,285)	(190,693)	769,592
Fund Balances - Beginning of Year	30,000	960,285	4,719,140	3,758,855
Fund Balances - End of Year	\$ -	\$ -	\$ 4,528,447	\$ 4,528,447

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

Highway Fund				Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,513,039	\$ 3,513,039	\$ 3,513,039	\$ -	\$ 3,400,890	\$ 3,400,890	\$ 3,400,892	\$ 2
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25,000	25,000	9,303	(15,697)	15,000	15,000	13,203	(1,797)
-	-	-	-	13,400	13,400	8,842	(4,558)
-	-	-	-	-	-	-	-
-	-	2,173	2,173	-	-	5,503	5,503
-	-	-	-	-	-	10,030	10,030
-	-	13,470	13,470	1,200	1,200	7,581	6,381
<u>3,538,039</u>	<u>3,538,039</u>	<u>3,537,985</u>	<u>(54)</u>	<u>3,430,490</u>	<u>3,430,490</u>	<u>3,446,051</u>	<u>15,561</u>
-	-	-	-	-	-	-	-
-	-	-	-	1,285,950	1,285,950	1,282,272	3,678
2,679,668	2,627,065	2,197,004	430,061	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	465,037	465,037	436,033	29,004
790,998	808,422	745,317	63,105	1,125,223	1,125,223	1,077,901	47,322
-	-	-	-	453,880	453,880	405,935	47,945
63,574	97,327	96,427	900	100,000	40,000	40,000	-
3,799	5,225	5,236	(11)	10,400	5,400	5,875	(475)
<u>3,538,039</u>	<u>3,538,039</u>	<u>3,043,984</u>	<u>494,055</u>	<u>3,440,490</u>	<u>3,375,490</u>	<u>3,248,016</u>	<u>127,474</u>
-	-	494,001	494,001	(10,000)	55,000	198,035	143,035
-	-	-	-	-	(65,000)	(65,000)	-
-	-	494,001	494,001	(10,000)	(10,000)	133,035	143,035
-	-	623,587	623,587	10,000	10,000	811,100	801,100
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,117,588</u>	<u>\$ 1,117,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 944,135</u>	<u>\$ 944,135</u>

TOWN OF KENT, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2010

	<u>ASSETS</u>	<u>Agency</u>
Cash:		
Demand deposits		\$ 474,587
Time deposits		40,943
		<u>515,530</u>
Accounts Receivable		<u>142,370</u>
Total Assets		<u>\$ 657,900</u>
	<u>LIABILITIES</u>	
Deposits Payable		\$ 639,762
Employee Payroll Deductions		18,138
Total Liabilities		<u>\$ 657,900</u>

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

Note 1 - Summary of Significant Accounting Policies

The Town of Kent, New York ("Town") was established in 1817 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, there are no other entities which would be included in the Town's reporting entity.

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 Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Assets presents the financial position of the Town 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain 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 in two 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 operating fund of the Town in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes. The Town's major special revenue funds are as follows:

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.

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Note 1 - Summary of Significant Accounting Policies (Continued)

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Agency Fund is used to account for employee payroll tax withholdings and various other 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 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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 and, accordingly, the Town's policy provides for no credit risk on deposits or investments.

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, 2010.

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

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 and special districts taxes which are levied and due January 1st and payable without penalty to January 31st. The Town retains the total amount of town, highway and special districts taxes from the total collections and returns the balance plus the uncollected items to the County which assumes collection responsibility.

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 are incurred. Allowances are recorded when appropriate.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2010 balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption methods in both the government wide and the 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 will benefit such periods. Reported amounts in the fund financial statements are equally offset by a reservation of fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Inventory - 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.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental 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 and 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 is not depreciated. Property, plant and equipment of the Town are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	50

Note 1 - Summary of Significant Accounting Policies (Continued)

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 funds balance sheet.

Long-Term Obligations - In the government-wide 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 the 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 Fund expenditures.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide statement of net assets 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 repairs, capital projects, future capital projects, debt service and special revenue funds. The balance is classified as unrestricted.

Fund Balances - Reserves and Designations - Portions of fund balance are segregated for future use and are, therefore, not available for future appropriation or expenditure. Amounts reserved for prepaid expenditures, repairs, future capital projects, debt service and parklands represent portions of fund balance, which are required to be segregated in accordance with State law or generally accepted accounting principles. Designations of unreserved fund balance in governmental funds indicates the utilization of these resources in the ensuing year's budget or tentative plans for future use.

F. 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

G. 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 October 3, 2011.

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) On or before September 30th, the Supervisor shall submit a tentative budget to the Town Clerk.
- b) On or before October 5th, the Town Clerk shall present the tentative budget to the Town Board.
- c) Once the tentative budget is approved by the Town Board, it becomes the preliminary budget. The Town Board files the preliminary budget with the Town Clerk where it is available for inspection. In addition, the Board shall cause to be published a notice specifying a time and place for a public hearing.
- d) At the public hearing, taxpayers may comment on the preliminary budget.
- e) On or before November 20th, 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.
- f) Formal budgetary integration is employed during the year as a management control device for the General, Highway and Special Districts funds.
- g) Budgets for the General, Highway and Special District funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund.
- h) 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 modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General, Highway and Special District 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 as promulgated by the Office of the State Comptroller.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Budgeted amounts are as originally adopted or as amended by the Town Board.

B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised.

C. Excess of Actual Expenditures Over Budget

The following functional expenditures and capital projects exceeded their budgetary authorizations by the amounts indicated:

General Fund:

General Government Support:

Town Justice	\$ 7,485
Personnel	11,244
Central garage	181,359
Central communications	7,103
Central data processing	6,007

Culture and Recreation:

Recreation buildings operations	910
Adult recreation	13,230

Home and Community Services:

Stormwater contractual	12,178
Recycling	27,221
Conservation advisory	287
Cable TV	6,283

Employee Benefits - Undistributed

State retirement	646
Unemployment benefits	136
Health insurance	24,844
Other	2,822

Highway Fund -

Debt Service - Interest	11
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Special Districts Fund - Lake Carmel Sanitation District -

Debt Service - Interest	1,281
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Capital Projects Fund:

Lake Carmel Gate Valves	2,737
North Cove Project	15,457

D Capital Projects Deficits

The deficits in individual capital projects arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

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, 2010 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 3,553,617	\$ 968,521
Highway	938,669	37,461
Special Districts	390,986	3,250,675
Capital Projects	<u>1,018,628</u>	<u>1,645,243</u>
	<u>\$ 5,901,900</u>	<u>\$ 5,901,900</u>

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

B. Capital Assets

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

<u>Class</u>	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2010</u>
Capital Assets, not being depreciated - Land	<u>\$ 16,252,691</u>	<u>\$ 92,929</u>	<u>\$ -</u>	<u>\$ 16,345,620</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 13,325,909	\$ -	\$ -	\$ 13,325,909
Machinery and equipment	3,936,971	430,480	25,289	4,342,162
Infrastructure	<u>1,006,020</u>	<u>-</u>	<u>-</u>	<u>1,006,020</u>
Total Capital Assets, being depreciated	<u>18,268,900</u>	<u>430,480</u>	<u>25,289</u>	<u>18,674,091</u>
Less Accumulated Depreciation for:				
Building and improvements	3,804,962	338,459	-	4,143,421
Machinery and equipment	2,709,905	287,625	25,289	2,972,241
Infrastructure	<u>116,418</u>	<u>20,120</u>	<u>-</u>	<u>136,538</u>
Total Accumulated Depreciation	<u>6,631,285</u>	<u>646,204</u>	<u>25,289</u>	<u>7,252,200</u>
Total Capital Assets, being depreciated, net	<u>\$ 11,637,615</u>	<u>\$ (215,724)</u>	<u>\$ -</u>	<u>\$ 11,421,891</u>
Capital Assets, net	<u>\$ 27,890,306</u>	<u>\$ (122,795)</u>	<u>\$ -</u>	<u>\$ 27,767,511</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 161,108
Public Safety	126,566
Transportation	166,191
Culture and Recreation	102,431
Home and Community Services	<u>89,908</u>
Total Depreciation Expense	<u>\$ 646,204</u>

C. Pension Plans

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") ("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.

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 regular pension contributions. Contribution rates for the plan year ended March 31, 2011 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	15.3%
	2 75I	14.0
	3 A14	11.3
	4 A15	11.3
	5 A15	9.1
PFRS	1 384D	17.4
	2 375I	12.5
	2 384D	16.8

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

	<u>ERS</u>	<u>PFRS</u>
2010	\$ 345,177	\$ 262,681
2009	248,365	265,119
2008	305,633	242,769

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

The ERS and PFRS 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 various functional categories within the funds identified below. The current PFRS contribution was charged to the General Fund.

<u>Fund</u>	<u>Amount</u>
General	\$ 166,134
Highway	110,051
Special Districts	<u>68,992</u>
	<u>\$ 345,177</u>

D. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2010:

	<u>Balance January 1, 2010</u>	<u>New Issues/ Additions</u>	<u>Maturities and/or Payments</u>	<u>Balance December 31, 2010</u>	<u>Due Within One Year</u>
Bonds Payable	\$ 3,644,525	\$ 213,226	\$ 360,200	\$ 3,497,551	\$ 435,771
Capital Lease Payable	45,364	-	33,753	11,611	11,611
Compensated Absences	60,226	6,096	6,023	60,299	6,000
Other Post Employment Benefit Obligations Payable	<u>3,792,613</u>	<u>2,618,675</u>	<u>494,358</u>	<u>5,916,930</u>	<u>-</u>
	<u>\$ 7,542,728</u>	<u>\$ 2,837,997</u>	<u>\$ 894,334</u>	<u>\$ 9,486,391</u>	<u>\$ 453,382</u>

Each governmental fund's liability for bonds, capital leases, compensated absences and other post employment benefit obligations payable is liquidated by the General, Highway and Special Districts funds.

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

Bonds payable at December 31, 2010 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2010</u>
Public Improvements	2002	\$ 5,000,000	September, 2022	4.25 - 5.00 %	\$ 3,125,000
Public Improvements	2007	200,000	September, 2012	3.45	80,000
Public Improvements	2008	151,721	February, 2011	2.50	50,573
Public Improvements	2008	24,978	February, 2011	2.50	8,326
Public Improvements	2008	24,978	February, 2011	2.50	8,326
Public Improvements	2008	36,300	November, 2011	3.25	12,100
Public Improvements	2010	91,000	April, 2013	2.50	91,000
Public Improvements	2010	122,226	July, 2013	2.75	122,226
					<u>\$ 3,497,551</u>

Interest expenditures of \$170,724 were recorded in the fund financial statements in the following funds.

<u>Fund</u>	<u>Amount</u>
General	\$ 161,039
Highway	3,810
Special Districts	<u>5,875</u>
	<u>\$ 170,724</u>

Interest expense of \$168,862 was recorded in the government-wide financial statements.

Capital Lease Payable

In April 2006, the Town entered into a capital lease to finance the acquisition of certain equipment. The terms of the agreement provide for the repayment of the principal amount of \$156,295 in 60 monthly installments of \$2,932, including interest at 4.75%. The balance due at December 31, 2010 was \$11,611.

Interest expenditures of \$1,426 were recorded in the fund financial statements in the Highway Fund and in the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

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

The annual requirements to amortize all bonded and capital lease debt outstanding as of December 31, 2010, including interest payments of \$1,049,679 are as follows:

Year Ending December 31,	Bonds Payable		Capital Lease Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 435,771	\$ 159,720	\$ 11,611	\$ 115	\$ 447,382	\$ 159,835
2012	381,446	147,459	-	-	381,446	147,459
2013	280,334	132,385	-	-	280,334	132,385
2014	250,000	118,750	-	-	250,000	118,750
2015	250,000	107,500	-	-	250,000	107,500
2016-2020	1,350,000	342,500	-	-	1,350,000	342,500
2021-2022	550,000	41,250	-	-	550,000	41,250
	<u>\$ 3,497,551</u>	<u>\$ 1,049,564</u>	<u>\$ 11,611</u>	<u>\$ 115</u>	<u>\$ 3,509,162</u>	<u>\$ 1,049,679</u>

Compensated Absences

Police officers may accumulate 180 days of sick leave. Any employee may elect to be paid for unused sick time at the end of each calendar year. Such payment will be for the time accumulated during that year only and will be paid at the current rate of pay. Vacation time must be taken in the year earned. Certain employees may elect to add up to 125 days of sick time to their retirement time under Section 41j of the New York State Employee's Retirement System. The Town is liable to the System for such elections. The value of all compensated absences has been recorded in the government-wide financial statements.

Other Post Employment Benefit Obligations Payable

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. The cost of providing other post employment benefit obligations payable is shared between the Town and the retired employees. 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 other post employment benefit obligations payable is recognized as an expenditure in the fund financial statements as claims are paid. The Town has recognized revenues and expenditures of \$41,355 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 accounted for 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

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

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 normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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 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 financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The 2009 and 2010 actual premiums were used in the projections with the assumed rate of increase in postretirement benefits subsequent to 2010 presented below:

Fiscal Year	Medical Premiums	Medicare Part B Premiums
2011	10.00 %	8.00 %
2012	9.50	7.50
2013	9.00	7.00
2014	8.50	6.50
2015	8.00	6.00
2016	7.50	5.50
2017	7.00	5.00
2018	6.50	5.00
2019	6.00	5.00
2020	5.50	5.00
2021 +	5.00	5.00

The amortization basis is the level dollar of payroll method with an open amortization approach with 27 years remaining in the amortization period. The actuarial assumptions included a 4.0% annual discount rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the unit credit method.

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of January 1, 2010 was as follows:

Active Employees	84
Retired Employees and Dependents	<u>46</u>
Total	<u><u>130</u></u>

Amortization Component:

Actuarial Accrued Liability as of January 1, 2010	\$ 27,137,897
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 27,137,897</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (Active plan members)	<u><u>\$ 4,594,607</u></u>
UAAL as a Percentage of Covered Payroll	<u><u>590.65%</u></u>
Annual Required Contribution	\$ 2,677,905
Interest on Net OPEB Obligation	151,705
Adjustment to Annual Required Contribution	<u>(210,935)</u>
Annual OPEB Cost	2,618,675
Contributions Made	<u>(494,358)</u>
Increase in Net OPEB Obligation	2,124,317
Net OPEB Obligation - Beginning of Year	<u>3,792,613</u>
Net OPEB Obligation - End of Year	<u><u>\$ 5,916,930</u></u>

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 preceding year is as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 2,618,675	18.88 %	\$ 5,916,930
2009	2,375,664	23.02	3,792,613
2008	2,406,335	18.39	1,963,919

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.

Note 3 - Detailed Notes on All Funds (Continued)**E. 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 reflected below have been reflected as transfers:

<u>Transfer Out</u>	<u>Transfers In Capital Projects Fund</u>
General Fund	\$ 930,285
Special Districts Fund	65,000
	<u>\$ 995,285</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

F. 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 Repairs - the component of net assets that has been established in accordance with the General Municipal Law of the State of New York. The amount may only be used for repairs in the Town's Park and Water Districts and only with approval of the Town Board.

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

Restricted for Future Capital Projects - the component of net assets that has been established in accordance with General Municipal Law. The amount may only be used for capital projects and only with the approval of the Town Board.

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

Note 3 - Detailed Notes on All Funds (Continued)

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

G. Fund Balances

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. The unreserved components of fund balance are also detailed below.

Reserved

The Reserve for Prepaid Expenditures has been provided to account for certain payments made in advance. The reserve indicates that the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

The Reserve for Parklands has been established pursuant to New York State Law. These amounts represent funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

Unreserved - Designations

Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. The Town Board has designated that \$88,935 of the fund balance of the General Fund be used for future recycling projects. At December 31, 2010 the Town Board has also designated that \$250,000 of the fund balance of the General Fund be appropriated for the ensuing year's budget.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages occurring from false arrest, property damage or personal injury. All the claims currently pending have been referred to the insurance carrier and none are expected to have a material effect on the Town's financial position, if adversely settled.

There are also currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Town if existing assessment rolls are modified based upon the outcome of the litigation proceedings. The amount of possible refunds cannot be determined at the present time and any refunds resulting from adverse settlements will be funded in the year in which the payments are made.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Risk Management

The Town purchases conventional insurance coverages to reduce its exposure to loss. The Town maintains general liability and umbrella policies with coverage up to \$2 million and \$20 million, respectively. Workers' compensation coverage is secured at statutory levels. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The Town also purchases conventional health insurance coverage for employees 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.

D. Subsequent Events

The Town, in July 2011, issued refunding serial bonds in the amount of \$2,875,000. These bonds will retire a portion of the 2002 public improvement bonds outstanding. The refunding bonds bear interest at rates ranging from 2.0-3.0% and mature September, 2022.

TOWN OF KENT, 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, 2010	\$	\$ 27,137,897	\$ 27,137,897	- %	\$ 4,594,607	590.65 %
January 1, 2009	-	23,757,896	23,757,896	-	4,469,517	531.55
January 1, 2008	-	23,757,896	23,757,896	-	4,469,517	531.55

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TOWN OF KENT, NEW YORK

GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 1,129,548	\$ 734,207
Time deposits	445,244	119,369
Petty cash	1,000	1,000
	<u>1,575,792</u>	<u>854,576</u>
Receivables:		
Accounts	257,636	178,087
State and Federal aid	21,275	53,405
Due from other funds	3,553,617	3,676,006
Advances to other funds	-	930,285
	<u>3,832,528</u>	<u>4,837,783</u>
Prepaid Expenditures	<u>361,519</u>	<u>290,106</u>
Total Assets	<u>\$ 5,769,839</u>	<u>\$ 5,982,465</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 223,501	\$ 128,615
Accrued liabilities	49,370	80,349
Due to other funds	968,521	1,054,361
Total Liabilities	<u>1,241,392</u>	<u>1,263,325</u>
Fund Balance:		
Reserved for prepaid expenditures	361,519	290,106
Reserved for advances	-	930,285
Reserved for debt service	185,603	185,603
Unreserved:		
Designated for future recycling projects	88,935	104,847
Designated for subsequent years expenditures	250,000	30,000
Undesignated	3,642,390	3,178,299
Total Fund Balance	<u>4,528,447</u>	<u>4,719,140</u>
Total Liabilities and Fund Balance	<u>\$ 5,769,839</u>	<u>\$ 5,982,465</u>

TOWN OF KENT, NEW YORK

GENERAL FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 7,378,792	\$ 7,378,792	\$ 7,378,792	\$ -
Other tax items	52,000	52,000	60,872	8,872
Non-property taxes	175,000	175,000	230,901	55,901
Departmental income	975,666	975,666	748,408	(227,258)
Use of money and property	100,000	100,000	53,933	(46,067)
Licenses and permits	1,800	1,800	4,005	2,205
Fines and forfeitures	422,000	422,000	554,875	132,875
Sale of property and compensation for loss	-	26,318	61,947	35,629
State aid	295,920	314,809	394,253	79,444
Miscellaneous	-	-	61,273	61,273
Total Revenues	9,401,178	9,446,385	9,549,259	102,874
Expenditures:				
Current:				
General government support	2,946,263	2,915,227	2,805,043	110,184
Public safety	3,563,629	3,612,008	3,502,157	109,851
Health	6,361	6,361	4,093	2,268
Transportation	247,015	273,333	261,418	11,915
Economic opportunity and development	27,500	27,500	16,657	10,843
Culture and recreation	1,393,437	1,394,742	1,149,534	245,208
Home and community services	348,875	349,116	270,707	78,409
Employee benefits - Undistributed	353,182	353,182	381,493	(28,311)
Debt service:				
Principal	257,526	257,526	257,526	-
Interest	161,807	161,807	161,039	768
Total Expenditures	9,305,595	9,350,802	8,809,667	541,135
Excess of Revenues Over Expenditures	95,583	95,583	739,592	644,009
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(125,583)	(1,055,868)	(930,285)	125,583
Total Other Financing Uses	(125,583)	(1,055,868)	(930,285)	125,583
Net Change in Fund Balance	(30,000)	(960,285)	(190,693)	769,592
Fund Balance - Beginning of Year	30,000	960,285	4,719,140	3,758,855
Fund Balance - End of Year	\$ -	\$ -	\$ 4,528,447	\$ 4,528,447

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,089,317	\$ 7,089,317	\$ 7,089,318	\$ 1
50,000	50,000	59,921	9,921
151,800	151,800	192,507	40,707
964,073	1,004,263	868,710	(135,553)
165,000	165,000	99,779	(65,221)
1,800	1,800	2,360	560
422,000	422,000	439,597	17,597
-	-	38,439	38,439
645,920	686,555	483,592	(202,963)
-	41,500	70,214	28,714
<u>9,489,910</u>	<u>9,612,235</u>	<u>9,344,437</u>	<u>(267,798)</u>
2,863,341	3,016,495	2,995,191	21,304
3,569,393	3,263,281	3,250,359	12,922
6,320	6,320	4,072	2,248
241,526	241,527	229,172	12,355
27,500	30,000	29,000	1,000
1,433,101	1,346,913	1,327,873	19,040
462,690	355,213	347,150	8,063
311,108	342,347	341,257	1,090
276,310	276,310	276,310	-
173,038	172,075	172,075	-
<u>9,364,327</u>	<u>9,050,481</u>	<u>8,972,459</u>	<u>78,022</u>
<u>125,583</u>	<u>561,754</u>	<u>371,978</u>	<u>(189,776)</u>
-	-	41,500	41,500
<u>(125,583)</u>	<u>(561,754)</u>	<u>(561,754)</u>	<u>-</u>
<u>(125,583)</u>	<u>(561,754)</u>	<u>(520,254)</u>	<u>41,500</u>
-	-	(148,276)	(148,276)
-	-	4,867,416	4,867,416
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,719,140</u>	<u>\$ 4,719,140</u>

TOWN OF KENT, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
REAL PROPERTY TAXES	\$ 7,378,792	\$ 7,378,792	\$ 7,378,792	\$ -	\$ 7,089,318
OTHER TAX ITEMS					
Interest and penalties on real property taxes	52,000	52,000	60,872	8,872	59,921
NON-PROPERTY TAXES					
Franchise fees	175,000	175,000	230,901	55,901	192,507
DEPARTMENTAL INCOME					
Town Clerk and other fees	9,784	9,784	3,614	(6,170)	13,290
Interdepartmental charges	482,332	482,332	390,824	(91,508)	373,368
Police and dog pound fees	2,100	2,100	7,408	5,308	2,335
Safety inspection fees	95,000	95,000	68,160	(26,840)	84,260
Vital statistics fees	-	-	3,387	3,387	605
Culture and recreation fees	283,950	283,950	133,367	(150,583)	249,978
Planning board and other fees	17,000	17,000	15,757	(1,243)	20,000
Recycling fees	85,000	85,000	93,762	8,762	102,229
Other service fees	500	500	32,129	31,629	22,645
	975,666	975,666	748,408	(227,258)	868,710

USE OF MONEY AND PROPERTY

Earnings on investments	100,000	100,000	53,933	(46,067)	99,779
LICENSES AND PERMITS					
Dog and other licenses	1,500	1,500	2,580	1,080	2,360
Permits	300	300	1,425	1,125	-
FINES AND FORFEITURES	1,800	1,800	4,005	2,205	2,360
Fines and forfeited bail	422,000	422,000	554,875	132,875	439,597
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Insurance recoveries	-	26,318	49,439	23,121	38,439
Other compensation for loss	-	-	12,508	12,508	20
STATE AID	-	26,318	61,947	35,629	38,459
Per capita	48,002	48,002	59,552	11,550	63,383
Mortgage tax	200,000	200,000	288,592	88,592	273,248
DARE program	20,000	20,000	20,000	-	20,000
Youth programs	8,000	8,000	3,025	(4,975)	14,586
Conservation program	-	-	-	-	75,723
STAR	4,900	4,900	-	(4,900)	-
Public safety	15,018	33,907	22,535	(11,372)	6,665
Other	-	-	549	549	29,987
MISCELLANEOUS	295,920	314,809	394,253	79,444	483,592
Refund of prior year's expenditures	-	-	19,493	19,493	42,794
Medicare Part D reimbursements	-	-	41,355	41,355	27,378
Miscellaneous	-	-	425	425	42
TOTAL REVENUES	9,401,178	9,446,385	9,549,259	102,874	9,344,437

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TOWN OF KENT, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
OTHER FINANCING SOURCES					
Transfers in - Special Purpose Fund	\$ -	\$ -	\$ -	\$ -	\$ 41,500
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 9,401,178</u>	<u>\$ 9,446,385</u>	<u>\$ 9,549,259</u>	<u>\$ 102,874</u>	<u>\$ 9,385,937</u>

TOWN OF KENT, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 129,197	\$ 129,997	\$ 114,409	\$ 15,588	\$ 107,665
Town Justice	523,508	536,147	543,632	(7,485)	511,556
Supervisor	168,468	168,468	160,447	8,021	143,002
Finance	167,448	167,448	161,815	5,633	149,757
Audit	31,600	31,600	31,600	-	28,950
Tax collection	70,481	70,481	54,421	16,060	49,992
Budget Director	8,977	8,977	8,914	63	8,834
Assessor	197,217	197,438	176,206	21,232	193,255
Town Clerk	222,378	222,378	210,283	12,095	203,068
Town Attorney	145,000	145,000	127,814	17,186	216,405
Personnel	28,000	28,000	39,244	(11,244)	31,559
Engineering	10,000	10,000	-	10,000	3,226
Records management	42,039	42,039	33,582	8,457	31,616
Buildings	292,152	292,184	229,155	63,029	253,110
Central garage	548,848	551,137	732,496	(181,359)	639,105
Central communications	5,200	5,200	12,303	(7,103)	4,354
Central printing and mailing	40,000	40,000	38,249	1,751	43,457
Central data processing	80,000	80,000	86,007	(6,007)	79,466
Unallocated insurance	25,000	18,781	-	18,781	-
Municipal association dues	1,500	1,500	1,500	-	1,500
Judgments and claims	45,000	45,000	8,127	36,873	264,202
Purchase of land	1,000	1,000	-	1,000	-
Town code	30,000	30,000	24,331	5,669	22,847
Metropolitan commuter transportation mobility tax	13,250	13,250	10,508	2,742	8,265
Contingency	120,000	79,202	-	79,202	-
	2,946,263	2,915,227	2,805,043	110,184	2,995,191

PUBLIC SAFETY

Police	3,359,297	3,406,920	3,319,971	86,949	3,090,093
Less - Transfers to Debt Service	(34,520)	(34,520)	(33,752)	(768)	(54,010)
	3,324,777	3,372,400	3,286,219	86,181	3,036,083
Traffic control	8,500	8,500	3,079	5,421	9,384
Fire prevention and control	26,886	26,985	20,429	6,556	17,521
Animal control	41,746	42,293	41,241	1,052	38,557
Safety inspection	158,720	158,830	151,189	7,641	144,154
Demolitions of unsafe buildings	3,000	3,000	-	3,000	-
Other	-	-	-	-	4,660

HEALTH

	3,563,629	3,612,008	3,502,157	109,851	3,250,359
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Registrar of Vital Statistics
DARE program

	4,361	4,361	4,093	268	4,072
	2,000	2,000	-	2,000	-

TRANSPORTATION

	6,361	6,361	4,093	2,268	4,072
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Highway Administration
Garage
Street lighting

	164,015	190,333	186,730	3,603	153,862
	73,000	73,000	65,831	7,169	66,235
	10,000	10,000	8,857	1,143	9,075

ECONOMIC OPPORTUNITY AND DEVELOPMENT

	247,015	273,333	261,418	11,915	229,172
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Veterans' services
Programs for the aging
Outreach program

	1,000	1,000	838	162	-
	24,000	24,000	13,319	10,681	24,000
	2,500	2,500	2,500	-	5,000
	27,500	27,500	16,657	10,843	29,000

(Continued)

TOWN OF KENT, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
CULTURE AND RECREATION					
Parks	\$ 358,259	\$ 379,564	\$ 371,611	\$ 7,953	\$ 379,733
Recreation administration	130,193	130,193	88,910	41,283	131,503
Recreation buildings operations	12,431	12,431	13,341	(910)	15,394
Youth programs	288,762	268,762	78,467	190,295	222,501
Library	559,580	559,580	552,149	7,431	541,817
Historian	9,812	9,812	2,757	7,055	6,597
Celebrations	20,000	20,000	14,669	5,331	15,786
Adult recreation	14,400	14,400	27,630	(13,230)	14,542
	<u>1,393,437</u>	<u>1,394,742</u>	<u>1,149,534</u>	<u>245,208</u>	<u>1,327,873</u>
HOME AND COMMUNITY SERVICES					
Zoning and appeals	18,500	18,500	11,068	7,432	8,221
Planning Board	136,179	136,192	50,346	85,846	102,894
New York City Watershed	150	150	-	150	-
Stormwater contractual	25,000	25,000	37,178	(12,178)	38,560
Landfill	25,000	25,000	11,866	13,134	18,023
Recycling	85,000	85,000	112,221	(27,221)	142,418
Beautification	10,000	10,000	6,270	3,730	5,092
Code enforcement	29,758	29,986	27,418	2,568	25,765
Conservation advisory	770	770	1,057	(287)	432
Grants to Cooperating municipalities	11,518	11,518	-	11,518	-
General natural resources	-	-	-	-	745
Cemeteries	5,000	5,000	5,000	-	5,000
Cable TV	2,000	2,000	8,283	(6,283)	-
	<u>348,875</u>	<u>349,116</u>	<u>270,707</u>	<u>78,409</u>	<u>347,150</u>

EMPLOYEE BENEFITS - UNDISTRIBUTED

State retirement	-	-	646	(646)	829
Unemployment benefits	10,000	10,000	10,136	(136)	-
Disability	2,123	2,123	1,986	137	2,072
Health insurance	339,559	339,559	364,403	(24,844)	327,794
Other	1,500	1,500	4,322	(2,822)	10,562
	<u>353,182</u>	<u>353,182</u>	<u>381,493</u>	<u>(28,311)</u>	<u>341,257</u>
DEBT SERVICE					
Serial Bonds:					
Principal	257,526	257,526	257,526	-	276,310
Interest	161,807	161,807	161,039	768	172,075
	<u>419,333</u>	<u>419,333</u>	<u>418,565</u>	<u>768</u>	<u>448,385</u>
TOTAL EXPENDITURES	9,305,595	9,350,802	8,809,667	541,135	8,972,459
OTHER FINANCING USES					
Transfers out -					
Capital Projects Fund	125,583	1,055,868	930,285	125,583	561,754
	<u>125,583</u>	<u>1,055,868</u>	<u>930,285</u>	<u>125,583</u>	<u>561,754</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 9,431,178	\$ 10,406,670	\$ 9,739,952	\$ 666,718	\$ 9,534,213

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TOWN OF KENT, NEW YORK

HIGHWAY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Receivables:		
Accounts	\$ 7,842	\$ -
Due from other funds	938,669	527,951
	<u>946,511</u>	<u>527,951</u>
Prepaid Expenditures	211,728	175,053
Total Assets	<u>\$ 1,158,239</u>	<u>\$ 703,004</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 3,190	\$ 17,405
Accrued liabilities	-	4,956
Due to other funds	37,461	57,056
Total Liabilities	<u>40,651</u>	<u>79,417</u>
Fund Balance:		
Reserved for prepaid expenditures	211,728	175,053
Unreserved and undesignated	905,860	448,534
Total Fund Balance	<u>1,117,588</u>	<u>623,587</u>
Total Liabilities and Fund Balance	<u>\$ 1,158,239</u>	<u>\$ 703,004</u>

TOWN OF KENT, NEW YORK

HIGHWAY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 3,513,039	\$ 3,513,039	\$ 3,513,039	\$ -
Use of money and property	25,000	25,000	9,303	(15,697)
Sale of property and compensation for loss	-	-	2,173	2,173
Miscellaneous	-	-	13,470	13,470
Total Revenues	3,538,039	3,538,039	3,537,985	(54)
Expenditures:				
Current:				
Transportation:				
Repairs and maintenance	1,376,013	1,358,589	1,127,944	230,645
Snow removal	1,251,328	1,216,149	1,055,209	160,940
Brush and weeds	52,327	52,327	13,851	38,476
	2,679,668	2,627,065	2,197,004	430,061
Employee benefits	790,998	808,422	745,317	63,105
Debt service:				
Principal	63,574	97,327	96,427	900
Interest	3,799	5,225	5,236	(11)
	67,373	102,552	101,663	889
Total Expenditures	3,538,039	3,538,039	3,043,984	494,055
Excess of Revenues Over Expenditures	-	-	494,001	494,001
Other Financing Sources - Transfers in	-	-	-	-
Net Change in Fund Balance	-	-	494,001	494,001
Fund Balance (Deficit) - Beginning of Year	-	-	623,587	623,587
Fund Balance - End of Year	\$ -	\$ -	\$ 1,117,588	\$ 1,117,588

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,711,356	\$ 3,711,356	\$ 3,711,356	\$ -
30,000	30,000	11,778	(18,222)
-	6,080	4,876	(1,204)
-	-	-	-
<u>3,741,356</u>	<u>3,747,436</u>	<u>3,728,010</u>	<u>(19,426)</u>
1,511,588	1,570,168	1,187,830	382,338
1,283,438	1,251,077	1,096,985	154,092
74,000	74,000	4,920	69,080
<u>2,869,026</u>	<u>2,895,245</u>	<u>2,289,735</u>	<u>605,510</u>
<u>802,438</u>	<u>749,938</u>	<u>712,435</u>	<u>37,503</u>
63,574	94,865	94,865	-
6,318	7,388	7,388	-
<u>69,892</u>	<u>102,253</u>	<u>102,253</u>	<u>-</u>
<u>3,741,356</u>	<u>3,747,436</u>	<u>3,104,423</u>	<u>643,013</u>
-	-	623,587	623,587
-	-	436,171	436,171
-	-	1,059,758	1,059,758
-	-	(436,171)	(436,171)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 623,587</u>	<u>\$ 623,587</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - LAKE CARMEL FIRE PROTECTION DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 837,800	\$ 837,800	\$ 837,801	\$ 1
Use of money and property	600	600	330	(270)
Total Revenues	838,400	838,400	838,131	(269)
Expenditures -				
Current - Public safety	838,400	838,400	836,722	1,678
Excess of Revenues Over Expenditures	-	-	1,409	1,409
Fund Balance - Beginning of Year	-	-	9,770	9,770
Fund Balance - End of Year	\$ -	\$ -	\$ 11,179	\$ 11,179

2009

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 821,400 600	\$ 821,400 600	\$ 821,400 78	\$ - (522)
822,000	822,000	821,478	(522)
<u>822,000</u>	<u>822,000</u>	<u>820,336</u>	<u>1,664</u>
-	-	1,142	1,142
<u>-</u>	<u>-</u>	<u>8,628</u>	<u>8,628</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,770</u>	<u>\$ 9,770</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - KENT FIRE PROTECTION DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 447,200	\$ 447,200	\$ 447,200	\$ -
Use of money and property	350	350	115	(235)
Total Revenues	447,550	447,550	447,315	(235)
Expenditures -				
Current -				
Public safety	447,550	447,550	445,550	2,000
Excess of Revenues Over Expenditures	-	-	1,765	1,765
Fund Balance - Beginning of Year	-	-	5,584	5,584
Fund Balance - End of Year	\$ -	\$ -	\$ 7,349	\$ 7,349

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 469,950	\$ 469,950	\$ 469,950	\$ -
350	350	100	(250)
470,300	470,300	470,050	(250)
<u>470,300</u>	<u>470,300</u>	<u>468,300</u>	<u>2,000</u>
-	-	1,750	1,750
-	-	3,834	3,834
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,584</u>	<u>\$ 5,584</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - LAKE CARMEL PARK DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 558,374	\$ 558,374	\$ 558,374	\$ -
Departmental income	15,000	15,000	13,203	(1,797)
Use of money and property	4,000	4,000	2,479	(1,521)
Sale of property and compensation for loss	-	-	1,050	1,050
State aid	-	-	10,030	10,030
Miscellaneous	1,200	1,200	6,081	4,881
Total Revenues	578,574	578,574	591,217	12,643
Expenditures:				
Current:				
Culture and recreation	427,237	427,237	401,304	25,933
Employee benefits	106,337	106,337	96,990	9,347
Debt service:				
Principal	40,000	40,000	40,000	-
Interest	5,000	5,000	4,194	806
Total Expenditures	578,574	578,574	542,488	36,086
Excess of Revenues Over Expenditures	-	-	48,729	48,729
Other Financing Uses - Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	48,729	48,729
Fund Balance - Beginning of Year	-	-	203,726	203,726
Fund Balance - End of Year	\$ -	\$ -	\$ 252,455	\$ 252,455

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 559,739	\$ 559,739	\$ 559,739	\$ -
15,000	15,000	14,614	(386)
8,000	8,000	5,140	(2,860)
-	-	-	-
15,000	15,000	-	(15,000)
1,200	1,200	3,975	2,775
<u>598,939</u>	<u>598,939</u>	<u>583,468</u>	<u>(15,471)</u>
440,354	440,204	404,721	35,483
111,685	111,835	90,936	20,899
40,000	40,000	40,000	-
6,900	6,900	5,524	1,376
<u>598,939</u>	<u>598,939</u>	<u>541,181</u>	<u>57,758</u>
-	-	42,287	42,287
-	(86,583)	(86,583)	-
-	(86,583)	(44,296)	42,287
-	86,583	248,022	161,439
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 203,726</u>	<u>\$ 203,726</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - LAKE TIBET PARK DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 27,700	\$ 27,700	\$ 27,700	\$ -
Use of money and property	100	100	430	330
Miscellaneous	-	-	1,500	1,500
Total Revenues	27,800	27,800	29,630	1,830
Expenditures -				
Current -				
Culture and recreation	37,800	37,800	34,729	3,071
Deficiency of Revenues Over Expenditures	(10,000)	(10,000)	(5,099)	4,901
Fund Balance - Beginning of Year	10,000	10,000	69,086	59,086
Fund Balance - End of Year	\$ -	\$ -	\$ 63,987	\$ 63,987

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 18,700 100 -	\$ 18,700 100 -	\$ 18,700 928 -	\$ - 828 -
18,800	18,800	19,628	828
18,800	32,749	27,087	5,662
-	(13,949)	(7,459)	6,490
-	13,949	76,545	62,596
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,086</u>	<u>\$ 69,086</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - ROMANOFF WATER DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 45,078	\$ 45,078	\$ 45,079	\$ 1
Use of money and property	250	250	341	91
Total Revenues	45,328	45,328	45,420	92
Expenditures -				
Current -				
Home and community services	45,328	45,328	38,541	6,787
Excess of Revenues Over Expenditures	-	-	6,879	6,879
Fund Balance - Beginning of Year	-	-	59,878	59,878
Fund Balance - End of Year	\$ -	\$ -	\$ 66,757	\$ 66,757

2009

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 45,078 250	\$ 45,078 250	\$ 45,078 634	\$ - 384
45,328	45,328	45,712	384
<u>45,328</u>	<u>45,328</u>	<u>37,083</u>	<u>8,245</u>
-	-	8,629	8,629
<u>-</u>	<u>-</u>	<u>51,249</u>	<u>51,249</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,878</u>	<u>\$ 59,878</u>

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - LEESIDE WATER DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 33,444	\$ 33,444	\$ 33,444	\$ -
Departmental Income	-	-	-	-
Use of money and property	100	100	440	340
Total Revenues	33,544	33,544	33,884	340
Expenditures -				
Current -				
Home and community services	33,544	33,544	22,512	11,032
Excess of Revenues Over Expenditures	-	-	11,372	11,372
Fund Balance - Beginning of Year	-	-	81,698	81,698
Fund Balance - End of Year	\$ -	\$ -	\$ 93,070	\$ 93,070

2009			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 46,125	\$ 46,125	\$ 46,125	\$ -
-	-	200	200
250	250	802	552
46,375	46,375	47,127	752
46,375	46,375	30,936	15,439
-	-	16,191	16,191
-	-	65,507	65,507
\$ -	\$ -	\$ 81,698	\$ 81,698

TOWN OF KENT, NEW YORK

SPECIAL DISTRICTS FUND - LAKE CARMEL SANITATION DISTRICT
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 1,451,294	\$ 1,451,294	\$ 1,451,294	\$ -
Use of money and property	8,000	8,000	4,707	(3,293)
Sale of property and compensation for loss	-	-	4,453	4,453
Total Revenues	1,459,294	1,459,294	1,460,454	1,160
Expenditures:				
Current:				
Home and community services	1,046,351	1,046,351	1,016,848	29,503
Employee benefits	347,543	347,543	308,945	38,598
Debt service:				
Principal	60,000	-	-	-
Interest	5,400	400	1,681	(1,281)
Total Expenditures	1,459,294	1,394,294	1,327,474	66,820
Excess of Revenues Over Expenditures	-	65,000	132,980	67,980
Other Financing Uses - Transfers out	-	(65,000)	(65,000)	-
Net Change in Fund Balance	-	-	67,980	67,980
Fund Balance - Beginning of Year	-	-	381,358	381,358
Fund Balance - End of Year	\$ -	\$ -	\$ 449,338	\$ 449,338

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,473,653	\$ 1,473,653	\$ 1,473,653	\$ -
12,000	12,000	7,749	(4,251)
14,200	14,200	2,447	(11,753)
<u>1,499,853</u>	<u>1,499,853</u>	<u>1,483,849</u>	<u>(16,004)</u>
1,119,927	1,118,927	960,898	158,029
326,871	326,871	282,128	44,743
50,574	51,574	51,496	78
2,481	2,481	875	1,606
<u>1,499,853</u>	<u>1,499,853</u>	<u>1,295,397</u>	<u>204,456</u>
-	-	188,452	188,452
-	-	-	-
-	-	188,452	188,452
-	-	192,906	192,906
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 381,358</u>	<u>\$ 381,358</u>

TOWN OF KENT, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	<u>\$ 108,545</u>	<u>\$ 102,329</u>
<u>FUND BALANCE</u>		
Reserved for Parklands	<u>\$ 108,545</u>	<u>\$ 102,329</u>

TOWN OF KENT, NEW YORK

SPECIAL PURPOSE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenues:		
Use of money and property	\$ 716	\$ 329
Departmental income	<u>5,500</u>	<u>5,500</u>
Total Revenues	6,216	5,829
Expenditures	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	6,216	5,829
Other Financing Uses -		
Transfers out	<u>-</u>	<u>(41,500)</u>
Net Change in Fund Balance	6,216	(35,671)
Fund Balance - Beginning of Year	<u>102,329</u>	<u>138,000</u>
Fund Balance - End of Year	<u>\$ 108,545</u>	<u>\$ 102,329</u>

TOWN OF KENT, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 13,803	\$ -
Time Deposits	453,147	460,756
	<u>466,950</u>	<u>460,756</u>
Receivables:		
State and Federal aid	191,054	-
Due from other governments	55,297	-
Due from other funds	1,018,628	1,017,011
	<u>1,264,979</u>	<u>1,017,011</u>
Total Assets	<u><u>\$ 1,731,929</u></u>	<u><u>\$ 1,477,767</u></u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 42,193	\$ 12,998
Deferred revenues	-	63,045
Due to other funds	1,645,243	1,331,724
Advances from other funds	-	930,285
	<u>1,687,436</u>	<u>2,338,052</u>
Total Liabilities	<u>1,687,436</u>	<u>2,338,052</u>
Fund Balance (Deficit) -		
Unreserved and undesignated	44,493	(860,285)
	<u>44,493</u>	<u>(860,285)</u>
Total Liabilities and Fund Balance (Deficit)	<u><u>\$ 1,731,929</u></u>	<u><u>\$ 1,477,767</u></u>

TOWN OF KENT, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenues:		
State aid	\$ 386,016	\$ 197,775
Miscellaneous	225,195	2,057
Total Revenues	<u>611,211</u>	<u>199,832</u>
Expenditures - Capital outlay	<u>914,944</u>	<u>330,297</u>
Deficiency of Revenues Over Expenditures	<u>(303,733)</u>	<u>(130,465)</u>
Other Financing Sources:		
Bonds issued	213,226	-
Transfers in	995,285	212,166
Total Other Financing Sources	<u>1,208,511</u>	<u>212,166</u>
Net Change in Fund Balance	904,778	81,701
Fund Deficit - Beginning of Year	<u>(860,285)</u>	<u>(941,986)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 44,493</u>	<u>\$ (860,285)</u>

TOWN OF KENT, NEW YORK

CAPITAL PROJECTS FUND
 PROJECT-LENGTH SCHEDULE
 INCEPTION OF PROJECT THROUGH DECEMBER 31, 2010

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance
Huestis Park	\$ 35,000	\$ 9,371	\$ 25,629
Lake Carmel Gate Valves	313,284	316,021	(2,737)
Town Center Generator	70,000	-	70,000
North Cove Project	490,000	505,457	(15,457)
Lake Carmel Community Center	25,000	-	25,000
Ludington Mill Stone	5,000	-	5,000
Lake Carmel Cultural Center (Old Firehouse)	400,000	24,614	375,386
Road Construction Route 52 Sewer	15,000	15,000	-
Sanitation Vehicle	187,226	187,224	2
Totals	\$ 1,540,510	\$ 1,057,687	\$ 482,823

Methods of Financing					Fund Balance (Deficit) at December 31, 2010
Interfund Transfers	Proceeds of Obligations	State and Federal Aid	Other	Totals	
\$ -	\$ -	\$ 17,049	\$ -	\$ 17,049	\$ 7,678
113,284	200,000	-	-	313,284	(2,737)
40,000	-	-	-	40,000	40,000
-	-	244,999	241,812	486,811	(18,646)
25,000	-	-	-	25,000	25,000
5,000	-	-	-	5,000	5,000
3,765	-	24,045	-	27,810	3,196
-	-	-	-	-	(15,000)
65,000	122,226	-	-	187,226	2
<u>\$ 252,049</u>	<u>\$ 322,226</u>	<u>\$ 286,093</u>	<u>\$ 241,812</u>	<u>\$ 1,102,180</u>	<u>\$ 44,493</u>

