

Town of Kent, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2013

Town of Kent, New York

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Independent Auditors' Report

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

Report on the Financial Statements

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 ("Town") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

O'CONNOR DAVIES, LLP

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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, as of December 31, 2013, 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 accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and 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.

Supplementary and Other Information

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

O'Connor Davies, LLP

O'Connor Davies, LLP

Harrison, New York

April 28, 2014

Town of Kent, New York

Management's Discussion and Analysis December 31, 2013

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, 2013. 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 2013

- On the government-wide financial statements, the Town had net position (assets exceeding liabilities) of \$21,922,226 at calendar year end 2013. Unrestricted net position, which are available to meet the ongoing obligations of the Town totaled a negative \$5,915,539. The Town's net position decreased by \$407,470 from calendar year end 2012 to calendar year end 2013. 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, 2013 were \$8,314,408. The total unassigned fund balances for governmental funds is \$3,422,602 at December 31, 2013.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$3,422,602 or 35% of the total General Fund expenditures and other financing uses. This is a decrease of \$269,651 from fiscal year 2012.
- The Town issued two bonds in the amount of \$343,100 during calendar year ending 2013.

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 position reports the Town's total assets, liabilities and deferred inflows/outflows of resources, and the difference, or net position. The intention is that, over time, the changes in net position will indicate whether the Town's financial position is improving or deteriorating.
- The statement of activities indicates how the Town's net position changed from the prior calendar year. Changes in net position 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 position and changes to net position over time are expected to be a useful indicator of a government's financial position. The Town's net position at calendar year end December 31, 2013 and 2012 were \$21,922,226 and \$22,329,696 respectively. Approximately 2% of the Town's 2013 net position are restricted for various purposes (repairs, capital projects, future capital projects, debt service and special purpose). Investments in capital assets, less any outstanding debt used to acquire those assets, account for the majority of the total net position. 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 position, at December 31, 2013 and 2012 is as follows:

Governmental Activities Net Position

	December 31, 2013	December 31, 2012
Current Assets	\$ 8,831,432	\$ 8,515,658
Capital Assets, Net	30,025,720	28,101,207
Total Assets	38,857,152	36,616,865
Deferred amounts on refunding bonds	150,390	168,084
Current Liabilities	534,571	645,280
Long-Term Liabilities	16,550,745	13,473,805
Total Liabilities	17,085,316	14,119,085
Net Position		
Net Investment in Capital Assets	27,406,014	25,465,186
Restricted	431,751	474,154
Unrestricted	(5,915,539)	(3,609,644)
Total Net Position	\$ 21,922,226	\$ 22,329,696

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 position. The unrestricted net position, or about one percent, may be used to meet the Town's ongoing financial obligations. However, this amount is negative at December 31, 2013.

In 2013, The Town's net position, which relate solely to governmental activities, decreased by \$407,470 and are discussed in the next section.

Governmental Activities - account for the decrease in the Town's net position. A summary of the Town's change in net position, at December 31, 2013 and 2012 is as follows:

Changes in Net Position

	December 31, 2013	December 31, 2012
Revenues		
Program Revenues		
Charges for Services	\$ 925,164	\$ 1,065,779
Operating Grants and Contributions	79,256	372,172
Capital Grants and Contributions	2,292,226	808,296
General Revenues		
Real Property Taxes	14,806,273	14,523,450
Other Tax Items	39,142	41,458
Non-Property Taxes	257,054	256,088
Unrestricted Use of Money and Property	15,601	25,718
Sale of Property and Compensation for Loss	18,034	72,594
State Aid - unrestricted	312,914	327,120
Miscellaneous	79,534	65,550
Total Revenues	<u>18,825,198</u>	<u>17,558,225</u>
Program Expenses		
General Government Support	3,969,789	3,809,260
Public Safety	5,775,326	5,807,106
Health	6,697	7,314
Transportation	5,149,370	4,773,230
Economic Opportunity and Development	26,500	26,500
Culture and Recreation	2,046,604	2,097,660
Home and Community Services	2,181,334	2,271,548
Interest	77,048	88,721
Total Expenses	<u>19,232,668</u>	<u>18,881,339</u>
Decrease in Net Position	<u>\$ (407,470)</u>	<u>\$ (1,323,114)</u>

The major revenue categories are: Real Property Taxes, 79%, State aid 2%, Charges for Services 5%, and Capital Grants and Contributions 12%. The major expenditure categories are: Public Safety 30%, Transportation 27%, General Government Support 21%, Culture and Recreation 11%, and Home and Community Services 11%.

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 unassigned 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 \$8,314,408 and \$7,812,485 at December 31, 2013 and 2012, respectively. Approximately, \$3,422,602 or about 41% of the 2013 total constitutes unassigned fund balance. The reserved fund balances are not available for new spending, because they have been committed for 2013: non-spendable (\$542,759), restricted (\$498,381), assigned (\$3,850,666).

The General Fund is the Town's primary operating fund. At the end of the calendar year, the unassigned fund balance was \$3,422,602 and the total fund balance was \$4,567,160. As a measure of the General Fund's liquidity, it is useful to compare both the unassigned fund balance and the total fund balance to total General Fund expenditures and other financing uses. The unassigned fund balance represents approximately 75% of the total fund balance and the unassigned represents approximately 35% of General Fund expenditures and other financing uses.

The fund balance in the Town's General Fund decreased by \$122,334 during the current calendar year. The primary reasons for the increase were the increases in expenditures in general government support, public safety, and culture and recreation.

The fund balance in the Town's Highway Fund increased by \$264,813 during the current calendar year. The primary reason for the fund balance increase was a decrease in current year expenditures.

General Fund Budgetary Highlights

The difference between the original and final budgets for revenues and other financing sources is \$274,309 with the final amended budget more than the original budget. The increases relate to: departmental income of \$307,073, fines and forfeitures of \$33,802, Sales of property and compensation for loss of \$18,034, Federal aid of \$5,400 and Miscellaneous of \$60,000.

The difference between the original and final budgets for expenditures and other financing uses is also \$274,309 with the final amended budget more than the original budget. The differences relate to: General Government Support (increase \$162,931), Public Safety (increase \$15,848), Health (increase \$250) Transportation (increase \$15,948), Culture and Recreation (decrease \$32,560), Home and Community Services (increase \$26,322) and employee benefits – Undistributed increase \$19,280), and Debt service (decrease \$5,400).

Capital Assets and Debt Administration

Capital Assets - at December 31, 2013 for governmental activities was \$30,025,720 net of accumulated depreciation of \$9,188,201. The investment in capital assets includes: land, buildings and improvements, machinery and equipment and infrastructure.

Capital Assets (Net of Accumulated Depreciation) December 31,

	2013	2012	Difference
Land	\$ 16,345,620	\$ 16,345,620	\$ -
Construction in progress	2,448,327	993,840	1,454,487
Buildings and Improvements	8,619,540	8,511,473	108,067
Machinery and Equipment	1,579,433	1,421,032	158,401
Infrastructure	1,032,800	829,242	203,558
Total Capital Assets	<u>\$ 30,025,720</u>	<u>\$ 28,101,207</u>	<u>\$ 1,924,513</u>

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

Outstanding Debt - at the end of calendar year 2013, the Town had a total of \$2,790,980 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 \$117,473,350 and the Town has consumed 2.38% 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

The economic downturn of 2010 continues to effect resident of the Town of Kent. In consideration of this and in response to the Property Tax Cap, which established a tax levy limit, the Town of Kent kept property tax rate increases under 2% in 2013 and 2014.

While revenues were limited by the property tax increase, expenses such as health insurance premiums and worker's compensation insurance increased significantly. All of these factors were considered by management in preparing the Town's 2014 budget, which contained a very small increase over the 2013 budget.

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 Maureen Fleming, Town Supervisor, Town of Kent, 25 Sybil's Crossing, Kent Lakes, New York 10512.

Town of Kent, New York

**Statement of Net Position
December 31, 2013**

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 7,593,439
Receivables	
Accounts	660,164
State and Federal aid	35,070
Inventories	149,022
Prepaid expenses	393,737
Capital assets	
Not being depreciated	18,793,947
Being depreciated, net	11,231,773
Total Assets	38,857,152
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on refunding bonds	150,390
LIABILITIES	
Accounts payable	298,194
Accrued liabilities	209,815
Unearned revenue	8,869
Retainage payable	146
Accrued interest payable	17,547
Non-current liabilities	
Due within one year	368,620
Due in more than one year	16,182,125
Total Liabilities	17,085,316
NET POSITION	
Net investment in capital assets	27,406,014
Restricted for	
Repairs	105,174
Capital projects	30,271
Future capital projects	131
Debt service	186,531
Special purpose	109,644
Unrestricted	(5,915,539)
Total Net Position	\$ 21,922,226

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

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Town of Kent, New York

Statement of Activities
Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 3,969,789	\$ 16,975	\$ 9,442	\$ -	\$ (3,943,372)
Public safety	5,775,326	666,900	20,069	-	(5,088,357)
Health	6,697	3,422	-	-	(3,275)
Transportation	5,149,370	-	27,811	2,292,226	(2,829,333)
Economic opportunity and development	26,500	-	-	-	(26,500)
Culture and recreation	2,046,604	110,322	19,942	-	(1,916,340)
Home and community services	2,181,334	127,545	1,992	-	(2,051,797)
Interest	77,048	-	-	-	(77,048)
Total Governmental Activities	\$ 19,232,668	\$ 925,164	\$ 79,256	\$ 2,292,226	(15,936,022)
General revenues					
Real property taxes					14,806,273
Other tax items					
Interest and penalties on real property taxes					39,142
Non-property taxes					
Franchise fees					257,054
Unrestricted use of money and property					15,601
Sale of property and compensation for loss					18,034
Unrestricted State aid					312,914
Miscellaneous					79,534
Total General Revenues					15,528,552
Change in Net Position					(407,470)
Net Position - Beginning of Year					22,329,696
Net Position - Ending					\$ 21,922,226

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

Town of Kent, New York

Balance Sheet
Governmental Funds
December 31, 2013

	General	Highway	Special Districts	Special Purpose
ASSETS				
Cash and equivalents	\$ 3,855,152	\$ 2,133,310	\$ 1,495,333	\$ 109,644
Receivables				
Accounts	131,783	-	-	-
State and Federal aid	35,070	-	-	-
Due from other funds	458,908	-	-	-
	625,761	-	-	-
Inventories	149,022	-	-	-
Prepaid expenditures	263,766	91,549	38,422	-
Total Assets	<u>\$ 4,893,701</u>	<u>\$ 2,224,859</u>	<u>\$ 1,533,755</u>	<u>\$ 109,644</u>
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 176,171	\$ 82,366	\$ 36,358	\$ -
Accrued liabilities	141,501	42,165	26,149	-
Unearned revenue	8,869	-	-	-
Due to other funds	-	-	30,873	-
Retainage payable	-	-	-	-
Total Liabilities	<u>326,541</u>	<u>124,531</u>	<u>93,380</u>	<u>-</u>
Fund balances				
Nonspendable	412,788	91,549	38,422	-
Restricted	186,531	-	105,305	109,644
Assigned	545,239	2,008,779	1,296,648	-
Unassigned	3,422,602	-	-	-
Total Fund Balances	<u>4,567,160</u>	<u>2,100,328</u>	<u>1,440,375</u>	<u>109,644</u>
Total Liabilities and Fund Balances	<u>\$ 4,893,701</u>	<u>\$ 2,224,859</u>	<u>\$ 1,533,755</u>	<u>\$ 109,644</u>

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

Capital Projects	Total Governmental Funds
\$ -	\$ 7,593,439
528,381	660,164
-	35,070
-	458,908
528,381	1,154,142
-	149,022
-	393,737
\$ 528,381	\$ 9,290,340
\$ 3,299	\$ 298,194
-	209,815
-	8,869
428,035	458,908
146	146
431,480	975,932
-	542,759
96,901	498,381
-	3,850,666
-	3,422,602
96,901	8,314,408
\$ 528,381	\$ 9,290,340

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Town of Kent, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2013

Fund Balances - Total Governmental Funds	\$	8,314,408
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Amounts Reported for Governmental Activities in the Statement of Net
Position are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	30,025,720
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Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of net position. Deferred amounts on refunding bonds	150,390
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Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(17,547)
Bonds payable	(2,836,726)
Compensated absences	(101,375)
Other post employment benefit obligations payable	(13,612,644)

Net Position of Governmental Activities	\$	<u>21,922,226</u>
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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, 2013

	General	Highway	Special Districts	Special Purpose
REVENUES				
Real property taxes	\$ 7,625,675	\$ 3,640,420	\$ 3,540,178	\$ -
Other tax items	39,142	-	-	-
Non-property taxes	257,054	-	-	-
Departmental income	665,663	-	10,434	-
Use of money and property	15,601	4,207	3,334	273
Licenses and permits	3,592	-	-	-
Fines and forfeitures	560,081	-	-	-
Sale of property and compensation for loss	18,034	13,776	9,777	-
State aid	342,425	-	-	-
Federal aid	9,828	-	-	-
Miscellaneous	79,534	-	15,454	-
Total Revenues	9,616,629	3,658,403	3,579,177	273
EXPENDITURES				
Current				
General government support	3,332,515	-	-	-
Public safety	3,682,638	-	1,278,273	-
Health	5,182	-	-	-
Transportation	262,060	2,338,449	-	-
Economic opportunity and development	26,500	-	-	-
Culture and recreation	1,176,566	-	410,798	-
Home and community services	241,672	-	1,101,584	-
Employee benefits	579,077	968,797	452,452	-
Debt service				
Principal	295,000	87,454	-	-
Interest	66,063	590	-	-
Capital outlay	-	-	-	-
Total Expenditures	9,667,273	3,395,290	3,243,107	-
Excess (Deficiency) of Revenues Over Expenditures	(50,644)	263,113	336,070	273
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers in	-	1,700	-	-
Transfers out	(71,690)	-	(73,800)	-
Total Other Financing Sources (Uses)	(71,690)	1,700	(73,800)	-
Net Change in Fund Balances	(122,334)	264,813	262,270	273
FUND BALANCES				
Beginning of Year	4,689,494	1,835,515	1,178,105	109,371
End of Year	\$ 4,567,160	\$ 2,100,328	\$ 1,440,375	\$ 109,644

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

Capital Projects	Total Governmental Funds
\$ -	\$ 14,806,273
-	39,142
-	257,054
-	676,097
-	23,415
-	3,592
-	560,081
-	41,587
348,776	691,201
-	9,828
1,943,450	2,038,438
2,292,226	19,146,708
-	3,332,515
-	4,960,911
-	5,182
-	2,600,509
-	26,500
-	1,587,364
-	1,343,256
-	2,000,326
-	382,454
-	66,653
2,682,215	2,682,215
2,682,215	18,987,885
(389,989)	158,823
343,100	343,100
143,790	145,490
-	(145,490)
486,890	343,100
96,901	501,923
-	7,812,485
\$ 96,901	\$ 8,314,408

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, 2013

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 501,923</u>
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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 capital outlay exceeded depreciation expense in the current period. This amount may be less than the total capital outlay since capital outlay includes amounts under the capitalization threshold.

Capital outlay expenditures	2,600,047
Depreciation expense	<u>(675,534)</u>
	<u>1,924,513</u>

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

Bonds issued	(343,100)
Principal paid on bonds	382,454
Amortization of loss on refunding and issuance premium	<u>(89,669)</u>
	<u>(50,315)</u>

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

Accrued interest	1,917
Compensated absences	(14,200)
Other post employment benefit obligations	<u>(2,771,308)</u>
	<u>(2,783,591)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (407,470)</u></u>
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The notes to the financial statements are an integral part of this statement.

Town of Kent, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2013

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 956,015</u>
LIABILITIES	
Deposits payable	<u>\$ 956,015</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, 2013

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 7,625,674	\$ 7,625,674	\$ 7,625,675	\$ 1
Other tax items	50,000	50,000	39,142	(10,858)
Non-property taxes	270,750	270,750	257,054	(13,696)
Departmental income	331,397	638,470	665,663	27,193
Use of money and property	30,700	30,700	15,601	(15,099)
Licenses and permits	3,000	3,000	3,592	592
Fines and forfeitures	525,000	558,802	560,081	1,279
Sale of property and compensation for loss	1,000	19,034	18,034	(1,000)
State aid	338,500	338,500	342,425	3,925
Federal aid	-	5,400	9,828	4,428
Miscellaneous	-	60,000	79,534	19,534
Total Revenues	9,176,021	9,600,330	9,616,629	16,299
EXPENDITURES				
Current				
General government support	3,310,975	3,473,906	3,332,515	141,391
Public safety	3,738,058	3,753,906	3,682,638	71,268
Health	5,927	6,177	5,182	995
Transportation	253,007	268,955	262,060	6,895
Economic opportunity and development	27,500	27,500	26,500	1,000
Culture and recreation	1,298,886	1,266,326	1,176,566	89,760
Home and community services	223,402	249,724	241,672	8,052
Employee benefits	560,466	579,746	579,077	669
Debt service				
Principal	290,000	295,000	295,000	-
Interest	77,800	67,400	66,063	1,337
Total Expenditures	9,786,021	9,988,640	9,667,273	321,367
Excess (Deficiency) of Revenues Over Expenditures	(610,000)	(388,310)	(50,644)	337,666
OTHER FINANCING SOURCES (USES)				
Transfers in	310,000	160,000	-	(160,000)
Transfers out	-	(71,690)	(71,690)	-
Total Other Financing Sources (Uses)	310,000	88,310	(71,690)	(160,000)
Net Change in Fund Balances	(300,000)	(300,000)	(122,334)	177,666
FUND BALANCES				
Beginning of Year	300,000	300,000	4,689,494	4,389,494
End of Year	\$ -	\$ -	\$ 4,567,160	\$ 4,567,160

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)
\$ 3,640,420	\$ 3,640,420	\$ 3,640,420	\$ -	\$ 3,540,178	\$ 3,540,178	\$ 3,540,178	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10,000	10,000	4,207	(5,793)	10,000	10,000	10,434	434
-	-	-	-	7,250	7,250	3,334	(3,916)
-	-	-	-	-	-	-	-
6,000	6,000	13,776	7,776	12,000	12,000	9,777	(2,223)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6,600	6,600	15,454	8,854
3,656,420	3,656,420	3,658,403	1,983	3,576,028	3,576,028	3,579,177	3,149
-	-	-	-	-	-	-	-
-	-	-	-	1,276,527	1,287,192	1,278,273	8,919
-	-	-	-	-	-	-	-
2,311,254	2,504,863	2,338,449	166,414	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	472,024	486,024	410,798	75,226
-	-	-	-	1,091,136	1,206,099	1,101,584	104,515
1,070,648	1,102,589	968,797	133,792	545,417	547,552	452,452	95,100
138,964	138,964	87,454	51,510	101,113	37,785	-	37,785
10,554	10,004	590	9,414	4,811	1,450	-	1,450
3,531,420	3,756,420	3,395,290	361,130	3,491,028	3,566,102	3,243,107	322,995
125,000	(100,000)	263,113	363,113	85,000	9,926	336,070	326,144
-	-	1,700	1,700	-	-	-	-
(225,000)	-	-	-	(85,000)	(94,391)	(73,800)	20,591
(225,000)	-	1,700	1,700	(85,000)	(94,391)	(73,800)	20,591
(100,000)	(100,000)	264,813	364,813	-	(84,465)	262,270	346,735
100,000	100,000	1,835,515	1,735,515	-	84,465	1,178,105	1,093,640
\$ -	\$ -	\$ 2,100,328	\$ 2,100,328	\$ -	\$ -	\$ 1,440,375	\$ 1,440,375

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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 financial statements.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole. 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 Position 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, deferred outflows of resources, liabilities, deferred inflows of resources, 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 and is used to account for and report all financial resources not accounted for and reported in another fund.

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

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

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. The major revenue of this fund is real property taxes.

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 and report financial resources that are restricted, committed or assigned to expenditures for

Note 1 - Summary of Significant Accounting Policies (Continued)

capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

- 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 statements.

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 but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position 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 deposit and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. 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 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, 2013.

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, 2013 balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventory - Inventories in the General Fund consists of materials at a stated value which approximates market. The cost is recorded as inventory at the time individual inventory items are purchased. The Town uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by a nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

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 nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets..

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Land and construction-in-progress are 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

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.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned amounts consist of amounts received in advance and/or revenue from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$8,869 for the advance collection of recreation fees in the General Fund

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

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

The Town reported deferred outflows of resources of \$150,390 for a deferred loss on refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in carrying value of the refunded debt and its requisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Supervisor for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot

Note 1 - Summary of Significant Accounting Policies (Continued)

result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Use of Estimates

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

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 April 28, 2014.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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.

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. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable

Note 2 - Stewardship, Compliance and Accountability (Continued)

Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Application of Accounting Standards

For the year ended December 31, 2013, the Town implemented GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows/inflows of resources, certain items that were previously reported as assets and liabilities. This statement also recognizes as outflows of resources (expenses or expenditures) or inflows of resources (revenues), certain items that were previously reported as assets and liabilities.

D. Fund Deficits

The following District reflects a deficit at December 31, 2013:

Special District Funds	
Lake Carmel Fire Protection District	\$ 31,124

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, 2013 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 458,908	\$ -
Special Districts Fund	-	30,873
Capital Projects Fund	-	428,035
	<u>\$ 458,908</u>	<u>\$ 458,908</u>

Town of Kent, New York

Notes to Financial Statements (Continued)

December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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:

Class	Balance January 1, 2013	Additions	Deletions	Balance December 31, 2013
Capital Assets, not being depreciated				
Land	\$ 16,345,620	\$ -	\$ -	\$ 16,345,620
Construction-in-progress	993,840	1,933,572	479,085	2,448,327
Total Capital Assets, not being depreciated	<u>\$ 17,339,460</u>	<u>\$ 1,933,572</u>	<u>\$ 479,085</u>	<u>\$ 18,793,947</u>
Capital Assets, being depreciated				
Buildings and improvements	\$ 13,325,909	\$ 446,200	\$ -	\$ 13,772,109
Machinery and equipment	4,942,485	473,422	-	5,415,907
Infrastructure	1,006,020	225,938	-	1,231,958
Total Capital Assets, being depreciated	<u>19,274,414</u>	<u>1,145,560</u>	<u>-</u>	<u>20,419,974</u>
Less Accumulated Depreciation for				
Building and improvements	4,814,436	338,133	-	5,152,569
Machinery and equipment	3,521,453	315,021	-	3,836,474
Infrastructure	176,778	22,380	-	199,158
Total Accumulated Depreciation	<u>8,512,667</u>	<u>675,534</u>	<u>-</u>	<u>9,188,201</u>
Total Capital Assets, being depreciated, net	<u>\$ 10,761,747</u>	<u>\$ 470,026</u>	<u>\$ -</u>	<u>\$ 11,231,773</u>
Capital Assets, net	<u>\$ 28,101,207</u>	<u>\$ 2,403,598</u>	<u>\$ 479,085</u>	<u>\$ 30,025,720</u>

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

General Government Support	\$ 164,850
Public Safety	133,848
Transportation	182,169
Culture and Recreation	104,928
Home and Community Services	<u>89,739</u>
Total Depreciation Expense	<u>\$ 675,534</u>

Note 3 - Detailed Notes on All Funds (Continued)

C. Accrued Liabilities

Accrued liabilities at December 31, 2013 were as follows:

	Fund			
	General	Highway	Special Districts	Total
Payroll and Employee Benefits	\$ 111,735	\$ 42,165	\$ 23,939	\$ 177,839
Other	29,766	-	2,210	31,976
	<u>\$ 141,501</u>	<u>\$ 42,165</u>	<u>\$ 26,149</u>	<u>\$ 209,815</u>

D. 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, employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and a regular pension contribution. Contribution rates for the plans' year's ended March 31, 2014 are as follows:

	Tier/Plan	Rate
ERS	1 75I	28.8%
	3 A14	21.0
	4 A15	21.0
	5 A15	16.9
	6 A15	11.5
PFRS	2 384D	28.4
	5 384D	22.7
	6 384D	16.0

Town of Kent, New York

Notes to Financial Statements (Continued)
 December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>ERS</u>	<u>PFRS</u>
2013	\$ 733,282	\$ 463,870
2012	629,468	380,869
2011	465,693	316,385

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	\$ 346,641
Highway	263,901
Special Districts	<u>122,740</u>
	<u>\$ 733,282</u>

E. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2013:

	Balance January 1, 2013	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2013	Due Within One Year
Bonds Payable	\$ 2,830,334	\$ 343,100	\$ 382,454	\$ 2,790,980	\$ 358,620
Plus - Issuance premium	<u>51,128</u>	<u>-</u>	<u>5,382</u>	<u>45,746</u>	<u>-</u>
	2,881,462	343,100	387,836	2,836,726	358,620
Other Non-Current Liabilities					
Compensated Absences	87,175	22,900	8,700	101,375	10,000
Other Post Employment Benefit Obligations Payable	<u>10,841,336</u>	<u>3,546,250</u>	<u>774,942</u>	<u>13,612,644</u>	<u>-</u>
	<u>\$ 13,809,973</u>	<u>\$ 3,912,250</u>	<u>\$ 1,171,478</u>	<u>\$ 16,550,745</u>	<u>\$ 368,620</u>

Each governmental fund's liability for bonds, 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, 2013 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2013
Refunding Bonds	2011	\$ 2,875,000	September, 2022	2.00 - 3.00 %	\$ 2,505,000
Generator	2013	57,500	March, 2018	1.75	57,500
Two Highway Vehicles	2013	285,600	September, 2017	1.40	228,480
					<u>\$ 2,790,980</u>

Interest expenditures of \$66,653 were recorded in the fund financial statements in the following funds.

Fund	Amount
General	\$ 66,063
Highway	<u>590</u>
	<u>\$ 66,653</u>

Interest expense of \$77,048 was recorded in the government-wide financial statements.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2013, including interest payments of \$333,506 are as follows:

Year Ending December 31,	Principal	Interest
2014	\$ 358,620	\$ 64,480
2015	353,620	57,698
2016	343,620	51,002
2017	363,620	44,490
2018	296,500	37,586
2019-2022	<u>1,075,000</u>	<u>78,250</u>
	<u>\$ 2,790,980</u>	<u>\$ 333,506</u>

Note 3 - Detailed Notes on All Funds (Continued)

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 \$66,297 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 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.

Note 3 - Detailed Notes on All Funds (Continued)

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 assumed rate of increase in postretirement benefits is presented below:

<u>Fiscal Year</u>	<u>Pre 65</u>	<u>Post 65</u>
2015-2022	9.00 %	9.00 %
2023 +	5.00	5.00

The amortization basis is the level dollar of payroll method with an open amortization approach with 25 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.

The number of participants as of January 1, 2013 was as follows:

Active Employees	90
Retired Employees and Dependents	<u>51</u>
Total	<u><u>141</u></u>

Amortization Component:

Actuarial Accrued Liability as of January 1, 2013	\$ 29,851,879
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 29,851,879</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (Active plan members)	<u>\$ 5,619,485</u>
UAAL as a Percentage of Covered Payroll	<u><u>531.22%</u></u>
Annual Required Contribution	\$ 2,703,089
Interest on Net OPEB Obligation	433,653
Adjustment to Annual Required Contribution	<u>409,508</u>
Annual OPEB Cost	3,546,250
Contributions Made	<u>(774,942)</u>
Increase in Net OPEB Obligation	2,771,308
Net OPEB Obligation - Beginning of Year	<u>10,841,336</u>
Net OPEB Obligation - End of Year	<u><u>\$ 13,612,644</u></u>

Town of Kent, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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:

<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2013	\$ 3,546,250	21.85 %	\$ 13,612,644
2012	3,440,807	16.80	10,841,336
2011	2,585,498	20.26	7,978,694

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.

F. Revenues and Expenditures

Interfund Transfers

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

<u>Transfer Out</u>	<u>Transfer In</u>		<u>Total</u>
	<u>Highway Fund</u>	<u>Capital Projects Fund</u>	
General Fund	\$ 1,700	\$ 69,990	\$ 71,690
Special Districts Fund	-	73,800	73,800
	<u>\$ 1,700</u>	<u>\$ 143,790</u>	<u>\$ 145,490</u>

Transfers are used to 1) move funds from the fund with collection authorization to the funds where additional amounts are needed and 2) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

G. Net Position

The components of net position are detailed below:

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

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

Town of Kent, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2013						2012					
	General Fund	Highway Fund	Special Districts Fund	Special Purpose Fund	Capital Projects Fund	Total	General Fund	Highway Fund	Special Districts Fund	Special Purpose Fund	Total	
Nonspendable												
Inventories	\$ 149,022	\$ -	\$ -	\$ -	\$ -	\$ 149,022	\$ 134,261	\$ -	\$ -	\$ -	\$ 134,261	
Prepaid expenditures	263,766	91,549	38,422	-	-	393,737	179,114	55,500	27,763	-	262,377	
Total Nonspendable	412,788	91,549	38,422	-	-	542,759	313,375	55,500	27,763	-	396,638	
Restricted												
Repairs	-	-	105,174	-	-	105,174	-	-	109,060	-	109,060	
Special purpose	-	-	-	109,644	-	109,644	-	-	-	109,371	109,371	
Debt service	186,531	-	-	-	-	186,531	185,603	-	-	-	185,603	
Capital projects	-	-	-	-	96,901	96,901	-	-	-	-	-	
Future capital projects	-	-	131	-	-	131	69,990	-	130	-	70,120	
Total Restricted	186,531	-	105,305	109,644	96,901	498,381	255,593	-	109,190	109,371	474,154	
Assigned												
Future recycling projects	101,239	-	-	-	-	101,239	128,273	-	-	-	128,273	
Subsequent year's expenditures	444,000	-	-	-	-	444,000	300,000	100,000	-	-	400,000	
Major Funds	-	2,008,779	1,296,648	-	-	3,305,427	-	1,680,015	1,041,152	-	2,721,167	
Total Assigned	545,239	2,008,779	1,296,648	-	-	3,850,666	428,273	1,780,015	1,041,152	-	3,249,440	
Unassigned	3,422,602	-	-	-	-	3,422,602	3,692,253	-	-	-	3,692,253	
Total Fund Balances	\$ 4,567,160	\$ 2,100,328	\$ 1,440,375	\$ 109,644	\$ 96,901	\$ 8,314,408	\$ 4,689,494	\$ 1,835,515	\$ 1,178,105	\$ 109,371	\$ 7,812,485	

Note 3 - Detailed Notes on All Funds (Continued)

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

Inventories have been established to account for purchased goods which will be expended when consumed. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

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

Amounts assigned for future recycling programs represent the Town's intention to use these funds for recycling programs in the future. These amounts have been set aside by the Town Board.

Subsequent years' expenditures represent that at December 31, 2013, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, 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.

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 2013. 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.

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, 2013	\$ -	\$ 29,851,879	\$ 29,851,879	- %	\$ 5,619,485	531.22 %
January 1, 2012	-	28,797,397	28,797,397	-	5,555,994	518.31
January 1, 2011	-	27,137,897	27,137,897	-	4,594,607	590.65

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Town of Kent, New YorkGeneral Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 3,855,152	\$ 3,640,338
Receivables		
Accounts	131,783	223,050
State and Federal aid	35,070	88,733
Due from other funds	458,908	1,547,055
	625,761	1,858,838
Inventories	149,022	134,261
Prepaid expenditures	263,766	179,114
Total Assets	\$ 4,893,701	\$ 5,812,551
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 176,171	\$ 290,271
Accrued liabilities	141,501	69,328
Unearned revenue	8,869	-
Due to other funds	-	763,458
Total Liabilities	326,541	1,123,057
Fund balance		
Nonspendable	412,788	313,375
Restricted	186,531	255,593
Assigned	545,239	428,273
Unassigned	3,422,602	3,692,253
Total Fund Balance	4,567,160	4,689,494
Total Liabilities and Fund Balance	\$ 4,893,701	\$ 5,812,551

Town of Kent, New York

General Fund

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

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 7,625,674	\$ 7,625,674	\$ 7,625,675	\$ 1
Other tax items	50,000	50,000	39,142	(10,858)
Non-property taxes	270,750	270,750	257,054	(13,696)
Departmental income	331,397	638,470	665,663	27,193
Use of money and property	30,700	30,700	15,601	(15,099)
Licenses and permits	3,000	3,000	3,592	592
Fines and forfeitures	525,000	558,802	560,081	1,279
Sale of property and compensation for loss	1,000	19,034	18,034	(1,000)
State aid	338,500	338,500	342,425	3,925
Federal aid	-	5,400	9,828	4,428
Miscellaneous	-	60,000	79,534	19,534
Total Revenues	9,176,021	9,600,330	9,616,629	16,299
EXPENDITURES				
Current				
General government support	3,310,975	3,473,906	3,332,515	141,391
Public safety	3,738,058	3,753,906	3,682,638	71,268
Health	5,927	6,177	5,182	995
Transportation	253,007	268,955	262,060	6,895
Economic opportunity and development	27,500	27,500	26,500	1,000
Culture and recreation	1,298,886	1,266,326	1,176,566	89,760
Home and community services	223,402	249,724	241,672	8,052
Employee benefits				
Undistributed	560,466	579,746	579,077	669
Debt service				
Principal	290,000	295,000	295,000	-
Interest	77,800	67,400	66,063	1,337
Total Expenditures	9,786,021	9,988,640	9,667,273	321,367
Excess (Deficiency) of Revenues Over Expenditures	(610,000)	(388,310)	(50,644)	337,666
OTHER FINANCING SOURCES (USES)				
Transfers in	310,000	160,000	-	(160,000)
Transfers out	-	(71,690)	(71,690)	-
Total Other Financing Sources (Uses)	310,000	88,310	(71,690)	(160,000)
Net Change in Fund Balance	(300,000)	(300,000)	(122,334)	177,666
FUND BALANCE				
Beginning of Year	300,000	300,000	4,689,494	4,389,494
End of Year	\$ -	\$ -	\$ 4,567,160	\$ 4,567,160

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,397,946	\$ 7,397,946	\$ 7,397,947	\$ 1
72,000	72,000	41,458	(30,542)
235,934	235,934	256,088	20,154
781,181	784,206	713,664	(70,542)
50,700	50,700	25,718	(24,982)
1,500	1,500	4,605	3,105
500,200	610,200	682,466	72,266
-	-	72,594	72,594
286,000	286,000	408,553	122,553
-	-	115,968	115,968
-	-	65,550	65,550
9,325,461	9,438,486	9,784,611	346,125
3,164,111	3,375,961	3,299,570	76,391
3,778,646	3,814,421	3,751,459	62,962
5,915	6,115	6,035	80
252,533	287,883	258,224	29,659
27,500	26,500	26,500	-
1,335,127	1,233,177	1,169,480	63,697
275,443	244,443	233,637	10,806
418,386	382,186	445,460	(63,274)
290,000	290,000	290,000	-
77,800	77,800	77,800	-
9,625,461	9,738,486	9,558,165	180,321
(300,000)	(300,000)	226,446	526,446
-	-	12,463	12,463
-	-	(37,790)	(37,790)
-	-	(25,327)	(25,327)
(300,000)	(300,000)	201,119	501,119
300,000	300,000	4,488,375	4,188,375
\$ -	\$ -	\$ 4,689,494	\$ 4,689,494

Town of Kent, New York

General Fund

**Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2013
(With Comparative Actuals for 2012)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
REAL PROPERTY TAXES	\$ 7,625,674	\$ 7,625,674	\$ 7,625,675	\$ 1	\$ 7,397,947
OTHER TAX ITEMS	50,000	50,000	39,142	(10,858)	41,458
Interest and penalties on real property taxes					
NON-PROPERTY TAXES	270,750	270,750	257,054	(13,696)	256,088
Franchise fees					
DEPARTMENTAL INCOME					
Town Clerk and other fees	15,800	15,800	16,025	225	3,984
Interdepartmental charges	10,000	294,791	322,460	27,669	355,868
Police and dog pound fees	2,600	2,600	2,903	303	7,845
Safety inspection fees	60,000	80,000	103,862	23,862	64,210
Vital statistics fees	6,000	6,000	3,422	(2,578)	4,030
Culture and recreation fees	117,797	117,797	99,615	(18,182)	131,158
Planning board and other fees	14,000	16,282	16,675	393	24,125
Recycling fees	85,200	85,200	87,191	1,991	94,607
Other service fees	20,000	20,000	13,510	(6,490)	27,837
	331,397	638,470	665,663	27,193	713,664
USE OF MONEY AND PROPERTY					
Earnings on investments	30,700	30,700	15,601	(15,099)	25,718

LICENSES AND PERMITS

Dog and other licenses	3,000	3,000	3,392	392	3,505
Permits	-	-	200	200	1,100

FINES AND FORFEITURES

Fines and forfeited bail	3,000	3,000	3,592	592	4,605
	525,000	558,802	560,081	1,279	682,466

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	-	-	-	-	650
Insurance recoveries	-	18,034	18,034	-	71,578
Other compensation for loss	1,000	1,000	-	(1,000)	366

STATE AID

Per capita	1,000	19,034	18,034	(1,000)	72,594
Mortgage tax	60,000	60,000	58,361	(1,639)	58,361
DARE program	250,000	250,000	254,553	4,553	268,759
Youth programs	20,000	20,000	20,000	-	20,000
Public safety	5,000	5,000	-	(5,000)	150
Disaster assistance	3,500	3,500	69	(3,431)	15,459
Other	-	-	-	-	42,040
	-	-	9,442	9,442	3,784

FEDERAL AID

Disaster assistance	338,500	338,500	342,425	3,925	408,553
	-	5,400	9,828	4,428	115,968

MISCELLANEOUS

Refund of prior year's expenditures	-	-	145	145	1,834
Medicare Part D reimbursements	-	-	66,297	66,297	63,510
Miscellaneous	-	60,000	13,092	(46,908)	206

TOTAL REVENUES

	-	60,000	79,534	19,534	65,550
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OTHER FINANCING SOURCES

Transfers in	9,176,021	9,600,330	9,616,629	16,299	9,784,611
Capital Projects Fund	310,000	160,000	-	(160,000)	12,463

TOTAL REVENUES AND OTHER FINANCING SOURCES

	\$ 9,486,021	\$ 9,760,330	\$ 9,616,629	\$ (143,701)	\$ 9,797,074
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Town of Kent, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 119,972	\$ 116,372	\$ 107,186	\$ 9,186	\$ 125,520
Town Justice	536,061	537,494	532,126	5,368	628,071
Supervisor	183,646	179,661	179,105	556	183,066
Finance	194,062	190,173	188,711	1,462	197,469
Audit	35,000	35,000	34,600	400	34,000
Tax collection	69,053	58,442	53,148	5,294	51,718
Budget Director	11,455	12,655	12,648	7	11,471
Assessor	219,863	216,563	185,836	30,727	178,354
Town Clerk	245,109	242,310	233,124	9,186	238,150
Town Attorney	155,000	217,127	195,246	21,881	242,108
Personnel	30,000	41,000	40,160	840	32,944
Engineering	7,000	7,000	4,361	2,639	3,481
Records management	28,836	29,611	27,488	2,123	29,642
Buildings	254,855	288,967	287,887	1,080	259,599
Central garage	663,841	864,453	846,732	17,721	870,899
Central communications	10,000	16,124	16,124	-	16,210
Central printing and mailing	42,000	44,442	44,442	-	43,129
Central data processing	79,000	89,560	89,516	44	77,134
Unallocated insurance	232,020	229,827	223,785	6,042	10,000
Municipal association dues	1,500	1,500	1,500	-	1,500
Judgments and claims	25,000	25,000	11,781	13,219	35,266
Town code	14,000	14,000	4,450	9,550	17,466
Metropolitan commuter transportation mobility tax	16,625	16,625	12,559	4,066	12,373
Contingency	137,077	-	-	-	-
	<u>3,310,975</u>	<u>3,473,906</u>	<u>3,332,515</u>	<u>141,391</u>	<u>3,299,570</u>

PUBLIC SAFETY					
Police	3,502,857	3,480,615	3,427,318	53,297	3,510,343
Traffic control	4,000	9,500	9,448	52	7,333
Fire prevention and control	21,771	26,269	19,514	6,755	21,558
Animal control	35,564	35,384	33,342	2,042	37,049
Safety inspection	170,866	186,138	177,115	9,023	168,676
Demolitions of unsafe buildings	-	-	-	-	6,500
Other	3,000	16,000	15,901	99	-
	3,738,058	3,753,906	3,682,638	71,268	3,751,459
HEALTH					
Registrar of Vital Statistics	4,927	5,177	5,140	37	5,060
DARE program	1,000	1,000	42	958	975
	5,927	6,177	5,182	995	6,035
TRANSPORTATION					
Highway Administration	170,007	173,007	167,301	5,706	170,325
Garage	73,000	82,948	82,447	501	77,581
Street lighting	10,000	13,000	12,312	688	10,318
	253,007	268,955	262,060	6,895	258,224
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Veterans' services	1,000	1,000	-	1,000	-
Programs for the aging	24,000	24,000	24,000	-	24,000
Outreach program	2,500	2,500	2,500	-	2,500
	27,500	27,500	26,500	1,000	26,500
CULTURE AND RECREATION					
Parks	390,498	352,113	334,815	17,298	352,476
Recreation administration	187,038	185,006	173,354	11,652	120,682
Recreation buildings operations	16,500	19,947	19,947	-	18,122
Youth programs	94,950	94,950	51,081	43,869	79,135
Library	566,400	570,310	570,310	-	567,713
Historian	3,000	3,500	3,051	449	3,668
Celebrations	20,000	20,000	13,781	6,219	14,480
Adult recreation	20,500	20,500	10,227	10,273	13,204
	1,298,886	1,266,326	1,176,566	89,760	1,169,480

(Continued)

Town of Kent, New York

General Fund

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

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
HOME AND COMMUNITY SERVICES					
Zoning and appeals	\$ 11,000	\$ 11,529	\$ 11,529	\$ -	\$ 19,865
Planning Board	60,870	33,707	31,946	1,761	51,636
New York City Watershed	150	150	-	150	-
Stormwater contractual	10,000	23,500	21,630	1,870	37,280
Landfill	15,000	20,000	19,987	13	11,197
Recycling	83,857	115,389	112,828	2,561	71,771
Beautification	2,500	4,727	4,726	1	1,753
Code enforcement	34,750	35,447	34,526	921	35,537
Conservation advisory	775	775	-	775	98
Cemeteries	4,500	4,500	4,500	-	4,500
	223,402	249,724	241,672	8,052	233,637
EMPLOYEE BENEFITS - UNDISTRIBUTED					
State retirement	1,000	-	-	-	1,000
Social security	-	-	-	-	4,581
Workers' compensation benefits	142,080	142,080	141,847	233	-
Unemployment benefits	10,000	-	-	-	4,030
Disability	2,123	2,123	1,807	316	1,009
Health insurance	403,763	434,043	434,043	-	433,460
Other	1,500	1,500	1,380	120	1,380
	560,466	579,746	579,077	669	445,460
DEBT SERVICE					
Serial bonds					
Principal	290,000	295,000	295,000	-	290,000
Interest	77,800	67,400	66,063	1,337	77,800
	367,800	362,400	361,063	1,337	367,800
TOTAL EXPENDITURES	9,786,021	9,988,640	9,667,273	321,367	9,558,165

OTHER FINANCING USES

Transfers out

Capital Projects Fund

Highway Fund

-	69,990	69,990	-	37,790
-	1,700	1,700	-	-

TOTAL OTHER FINANCING USES

-	71,690	71,690	-	37,790
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**TOTAL EXPENDITURES AND
OTHER FINANCING USES**

\$ 9,786,021	\$ 10,060,330	\$ 9,738,963	\$ 321,367	\$ 9,595,955
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Town of Kent, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ 2,133,310</u>	<u>\$ 1,597,226</u>
Receivables		
State and Federal aid	-	98,133
Due from other funds	<u>-</u>	<u>495,693</u>
	<u>-</u>	<u>593,826</u>
Prepaid expenditures	<u>91,549</u>	<u>55,500</u>
Total Assets	<u><u>\$ 2,224,859</u></u>	<u><u>\$ 2,246,552</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 82,366	\$ 36,163
Accrued liabilities	42,165	81,952
Due to other funds	<u>-</u>	<u>292,922</u>
Total Liabilities	<u>124,531</u>	<u>411,037</u>
Fund balance		
Nonspendable	91,549	55,500
Assigned	<u>2,008,779</u>	<u>1,780,015</u>
Total Fund Balance	<u>2,100,328</u>	<u>1,835,515</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,224,859</u></u>	<u><u>\$ 2,246,552</u></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,**

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,640,420	\$ 3,640,420	\$ 3,640,420	\$ -
Use of money and property	10,000	10,000	4,207	(5,793)
Sale of property and compensation for loss	6,000	6,000	13,776	7,776
Federal aid	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	3,656,420	3,656,420	3,658,403	1,983
EXPENDITURES				
Current				
Transportation				
Repairs and maintenance	1,379,309	1,493,991	1,368,249	125,742
Snow removal	920,445	999,322	964,335	34,987
Brush and weeds	11,500	11,550	5,865	5,685
	2,311,254	2,504,863	2,338,449	166,414
Employee benefits	1,070,648	1,102,589	968,797	133,792
Debt service				
Principal	138,964	138,964	87,454	51,510
Interest	10,554	10,004	590	9,414
	149,518	148,968	88,044	60,924
Total Expenditures	3,531,420	3,756,420	3,395,290	361,130
Excess (Deficiency) of Revenues Over Expenditures	125,000	(100,000)	263,113	363,113
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,700	1,700
Transfers out	(225,000)	-	-	-
Total Other Financing Sources (Uses)	(225,000)	-	1,700	1,700
Net Change in Fund Balance	(100,000)	(100,000)	264,813	364,813
FUND BALANCE				
Beginning of Year	100,000	100,000	1,835,515	1,735,515
End of Year	\$ -	\$ -	\$ 2,100,328	\$ 2,100,328

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,667,079	\$ 3,667,079	\$ 3,667,079	\$ -
20,000	20,000	6,470	(13,530)
20,600	20,600	16,362	(4,238)
-	-	100,357	100,357
-	-	13,709	13,709
3,707,679	3,707,679	3,803,977	96,298
1,319,843	1,640,643	1,575,235	65,408
1,256,666	948,566	640,050	308,516
18,500	4,750	4,658	92
2,595,009	2,593,959	2,219,943	374,016
963,152	964,202	874,710	89,492
138,964	138,964	30,333	108,631
10,554	10,554	1,140	9,414
149,518	149,518	31,473	118,045
3,707,679	3,707,679	3,126,126	581,553
-	-	677,851	677,851
-	-	13,046	13,046
-	-	(229,785)	(229,785)
-	-	(216,739)	(216,739)
-	-	461,112	461,112
-	-	1,374,403	1,374,403
\$ -	\$ -	\$ 1,835,515	\$ 1,835,515

Town of Kent, New York

Special Districts Fund
Combining Balance Sheet - Sub Funds
December 31, 2013
(With Comparative Totals for 2012)

	Fire Protection Districts		Park Districts	
	Lake Carmel	Kent	Lake Carmel	Lake Tibet
ASSETS				
Cash and equivalents	\$ -	\$ 18,455	\$ 406,682	\$ 153,400
Accounts receivable	-	-	-	-
State and Federal aid receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid expenditures	-	-	10,146	-
Total Assets	\$ -	\$ 18,455	\$ 416,828	\$ 153,400
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 8,019	\$ -
Accrued liabilities	251	301	5,798	-
Due to other funds	30,873	-	-	-
Total Liabilities	31,124	301	13,817	-
Fund balances (deficits)				
Nonspendable	-	-	10,146	-
Restricted	-	-	71,104	33,942
Assigned	(31,124)	18,154	321,761	119,458
Total Fund Balances (Deficits)	(31,124)	18,154	403,011	153,400
Total Liabilities and Fund Balances (Deficits)	\$ -	\$ 18,455	\$ 416,828	\$ 153,400

Water Districts		Lake Carmel Sanitation District	Totals	
Romanoff	Leeside		2013	2012
\$ 35,460	\$ 109,381	\$ 771,955	\$ 1,495,333	\$ 1,389,538
-	-	-	-	360
-	-	-	-	12,122
-	-	-	-	1,773,426
-	-	28,276	38,422	27,763
<u>\$ 35,460</u>	<u>\$ 109,381</u>	<u>\$ 800,231</u>	<u>\$ 1,533,755</u>	<u>\$ 3,203,209</u>
\$ 2,164	\$ 1,159	\$ 25,016	\$ 36,358	\$ 80,546
-	-	19,799	26,149	24,602
-	-	-	30,873	1,919,956
<u>2,164</u>	<u>1,159</u>	<u>44,815</u>	<u>93,380</u>	<u>2,025,104</u>
-	-	28,276	38,422	27,763
128	131	-	105,305	109,190
<u>33,168</u>	<u>108,091</u>	<u>727,140</u>	<u>1,296,648</u>	<u>1,041,152</u>
<u>33,296</u>	<u>108,222</u>	<u>755,416</u>	<u>1,440,375</u>	<u>1,178,105</u>
<u>\$ 35,460</u>	<u>\$ 109,381</u>	<u>\$ 800,231</u>	<u>\$ 1,533,755</u>	<u>\$ 3,203,209</u>

Town of Kent, New York

Special Districts Fund

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Sub Funds
Year Ended December 31, 2013
(With Comparative Totals for 2012)

	Fire Protection Districts		Park Districts	
	Lake Carmel	Kent	Lake Carmel	Lake Tibet
REVENUES				
Real property taxes	\$ 854,527	\$ 421,050	\$ 597,500	\$ 31,900
Departmental income	-	-	10,434	-
Use of money and property	-	54	1,115	173
Sale of property and compensation for loss	-	-	-	3,200
Federal aid	-	-	-	-
Miscellaneous	-	-	15,454	-
Total Revenues	854,527	421,104	624,503	35,273
EXPENDITURES				
Current				
Public safety	864,335	413,938	-	-
Culture and recreation	-	-	409,446	1,352
Home and community services	-	-	-	-
Employee benefits	-	-	110,450	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	864,335	413,938	519,896	1,352
Excess (Deficiency) of Revenues Over Expenditures	(9,808)	7,166	104,607	33,921
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Uses	-	-	-	-
Net Change in Fund Balances	(9,808)	7,166	104,607	33,921
FUND BALANCES (DEFICITS)				
Beginning of Year	(21,316)	10,988	298,404	119,479
End of Year	<u>\$ (31,124)</u>	<u>\$ 18,154</u>	<u>\$ 403,011</u>	<u>\$ 153,400</u>

Water Districts		Lake Carmel Sanitation District	Totals	
Romanoff	Leeside		2013	2012
\$ 52,500	\$ 31,924	\$ 1,550,777	\$ 3,540,178	\$ 3,458,424
-	-	-	10,434	14,902
123	118	1,751	3,334	5,042
-	-	6,577	9,777	19,555
-	-	-	-	11,806
-	-	-	15,454	6,291
52,623	32,042	1,559,105	3,579,177	3,516,020
-	-	-	1,278,273	1,274,186
-	-	-	410,798	449,014
33,726	17,655	1,050,203	1,101,584	1,094,386
-	-	342,002	452,452	455,135
-	-	-	-	101,113
-	-	-	-	2,266
33,726	17,655	1,392,205	3,243,107	3,376,100
18,897	14,387	166,900	336,070	139,920
-	-	-	-	25,002
(73,800)	-	-	(73,800)	(76,331)
(73,800)	-	-	(73,800)	(51,329)
(54,903)	14,387	166,900	262,270	88,591
88,199	93,835	588,516	1,178,105	1,089,514
\$ 33,296	\$ 108,222	\$ 755,416	\$ 1,440,375	\$ 1,178,105

Town of Kent, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ 109,644</u>	<u>\$ 109,371</u>
FUND BALANCE		
Restricted	<u>\$ 109,644</u>	<u>\$ 109,371</u>

Town of Kent, New York

Special Purpose Fund

Comparative Statement of Revenues, Expenditures and Changes

in Fund Balance

Years Ended December 31,

	<u>2013</u>	<u>2012</u>
REVENUES		
Use of money and property	\$ 273	\$ 327
EXPENDITURES	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	273	327
FUND BALANCE		
Beginning of Year	<u>109,371</u>	<u>109,044</u>
End of Year	<u><u>\$ 109,644</u></u>	<u><u>\$ 109,371</u></u>

Town of Kent, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ -</u>	<u>\$ 697,149</u>
Receivables		
Accounts	528,381	185,643
Due from other funds	<u>-</u>	<u>1,161,859</u>
	<u>528,381</u>	<u>1,347,502</u>
 Total Assets	 <u><u>\$ 528,381</u></u>	 <u><u>\$ 2,044,651</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,299	\$ 34,016
Due to other funds	428,035	2,001,697
Retainage payable	<u>146</u>	<u>8,938</u>
 Total Liabilities	 431,480	 2,044,651
 Fund balance		
Restricted	<u>96,901</u>	<u>-</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 528,381</u></u>	 <u><u>\$ 2,044,651</u></u>

Town of Kent, New York**Capital Projects Fund****Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance**

Years Ended December 31,

	2013	2012
REVENUES		
State aid	\$ 348,776	\$ 208,787
Miscellaneous	1,943,450	599,509
Total Revenues	2,292,226	808,296
EXPENDITURES		
Capital outlay	2,682,215	839,267
Deficiency of Revenues Over Expenditures	(389,989)	(30,971)
OTHER FINANCING SOURCES (USES)		
Bonds issued	343,100	-
Transfers in	143,790	343,906
Transfers out	-	(50,511)
Total Other Financing Sources	486,890	293,395
Net Change in Fund Balance	96,901	262,424
FUND BALANCE (DEFICIT)		
Beginning of Year	-	(262,424)
End of Year	\$ 96,901	\$ -

Town of Kent, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through December 31, 2013

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance
Highway Equipment	\$ 285,600	\$ 218,970	\$ 66,630
Road Construction Route 52 Sewer	6,000,000	2,434,533	3,565,467
Gateway	100,000	13,793	86,207
Totals	<u>\$ 6,385,600</u>	<u>\$ 2,667,296</u>	<u>\$ 3,718,304</u>

Revenues and Other Financing Sources	Fund Balance at December 31, 2013
\$ 285,600	\$ 66,630
2,464,804	30,271
13,793	-
<u>\$ 2,764,197</u>	<u>\$ 96,901</u>

