

Town of Mamaroneck, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2012

Town of Mamaroneck, New York

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Independent Auditors' Report

The Honorable Supervisor and Town Board of the Town of Mamaroneck, New York

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Mamaroneck, New York ("Town") as of and for the year ended December 31, 2012, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Town'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 Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town, as of December 31, 2012, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedules of Funding Progress and Contributions for the Service Awards Program 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 and the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133 Audits of State, Local Governments and Non-Profit Organizations 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 and the schedule of expenditures of federal awards 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2013 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
March 28, 2013

Town of Mamaroneck, New York

Management's Discussion and Analysis (MD&A) December 31, 2012

Introduction

As management of the Town of Mamaroneck, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2012. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2012 are as follows:

- On the government-wide financial statements, the assets of the primary government, which is reported separately from the component unit for which the Town is financially accountable, exceeded its liabilities at the close of the most recent fiscal year by \$14,159,628. Of this amount, the unrestricted net position, which is available to meet the ongoing obligations of the Town, reflect a deficit of \$7,736,011 at December 31, 2012. The unrestricted net position decreased by \$3.7 million from the prior year. This reduction results primarily from the accrual of certain operating liabilities pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 34, which will be satisfied in future years, including compensated absences and the required accrual of the Town's annual other postemployment benefit cost in accordance with the provisions of GASB Statement No. 45, in the amount of \$4.4 million.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,657,780, a decrease of \$1,089,614 from the prior year. The decrease in fund balance is due to \$833,948 use of Section 8 Housing Assistance reserves to fund 2012 housing assistance payments as required by the U.S. Department of Housing and Urban Development and 2012 capital project outlays funded by bond anticipation notes which will not be recognized as a source of revenue until the notes are redeemed and converted to long term serial bonds in 2013. Exclusive of the Capital Projects Fund, the combined ending fund balances were \$10,679,490.
- At the end of the current fiscal year, total fund balance for the Town-wide General Fund was \$1,007,986 or 11% of total General Fund expenditures and other financing uses for 2012. The total Town-wide General Fund Balance consists of \$192,512 (Nonspendable) and \$815,474 (Unassigned). Total fund balance for the Town Outside Villages Fund was \$1,888,605 or 18% of total fund expenditures and other financing uses for 2012. Total fund balance for Highway Fund and Special Districts Funds are \$1,083,671 and \$2,311,756 respectively or 23% and 36% of total fund expenditures and other financing uses for 2012.

- During the year ended December 31, 2012, the Town retired \$1,240,000 of long term general obligation debt. In addition, the Town issued \$1,725,000 new short term capital debt in the form of bond anticipation notes. Overall, combined long-term and short-term debt obligations of the Town increased \$485,000 to \$17,903,000 for the period ending December 31, 2012.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide the readers with a broad overview of the Town's finances in a manner similar to a private-sector business. The Mamaroneck Housing Authority is a legally separate component unit of the primary government for which the Town is financially accountable. The reader may refer to the component unit's separately issued financial statements for additional information.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information reflecting how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of 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 (for example, uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*). 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.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported 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 fiscal year. Such 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 the 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 nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Fund, Section 8 Housing Assistance Fund and the Capital Projects Fund, which are considered to be major funds. Data for the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town adopts an annual appropriation budget for its General Fund, Town Outside Villages Fund, Highway Fund, and Special Districts Fund, which are major funds. A budgetary comparison statement has been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets. Annual budgets are also adopted for the Tri-Municipal Cable T.V. Fund and the Debt Service Fund which are non-major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The Town maintains two types of fiduciary funds; an Agency and a Pension Trust Fund. Resources are held in the Agency Fund by the Town purely in a custodial capacity. The activity in the Agency Fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individuals, organizations or governments. The Pension Trust Fund accounts for the activity of the Service Awards Pension Program for volunteer firefighters.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements. These include the required supplementary information for the Town's other post employment benefit obligations, the pension service awards program and the combining statements for the non-major governmental funds.

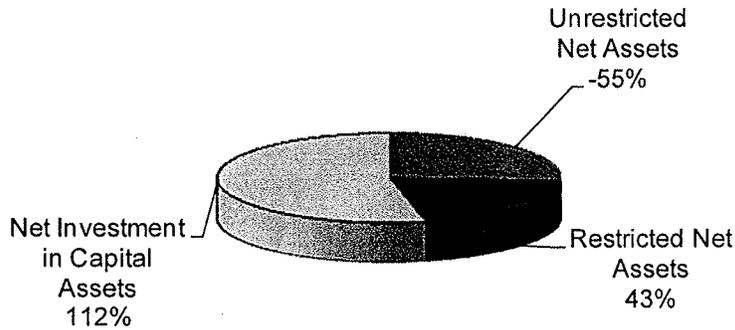
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town, assets exceeded liabilities by \$14,159,628 at the close of the current fiscal year.

Governmental Activities

	December 31,	
	2012	2011
Current Assets	\$ 67,800,612	\$ 68,022,056
Capital Assets, net	31,297,670	31,634,445
Total Assets	99,098,282	99,656,501
Current Liabilities	58,250,434	56,935,671
Long-term Liabilities	26,688,220	24,843,489
Total Liabilities	84,938,654	81,779,160
Net Position		
Net investment in capital assets	15,845,738	16,720,183
Restricted	6,049,901	6,816,306
Unrestricted	(7,736,011)	(5,659,148)
Total Net Position	\$ 14,159,628	\$ 17,877,341

**Net Position Distribution
December 31, 2012**



Investment in capital assets, less any outstanding debt used to acquire those assets of \$15,845,738, accounts for 112% of the total net assets. The Town uses these assets to provide services to citizens. Consequently, these 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.

Approximately 43% of the Town's net assets are restricted for various purposes (debt service, special districts and special revenue funds). The restricted net assets of \$6,049,901 represent resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

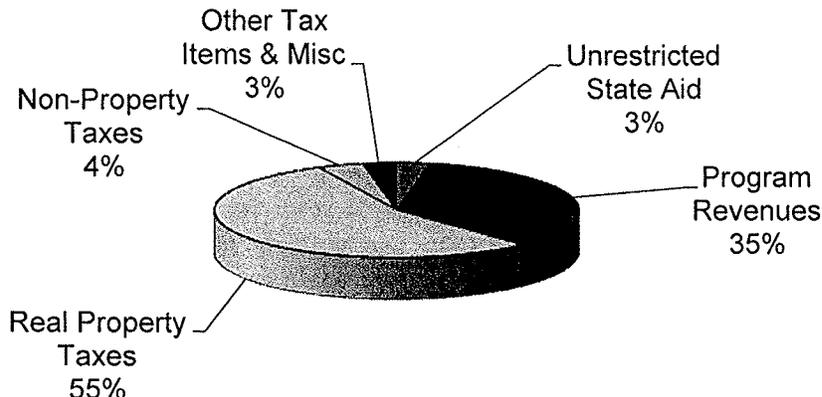
	December 31,	
	2012	2011
Capital Projects	\$ -	\$ 400,928
Debt Service	952,426	654,875
Special Districts:		
Water	1,450,988	1,145,155
Sewer	83,682	73,742
Street Lighting	-	35,330
Ambulance	127,759	292,877
Section 8 Housing Assistance	1,450,710	2,284,658
Tri-Municipal Cable TV	1,750,500	1,755,502
Trusts	233,836	173,239
Total	\$ 6,049,901	\$ 6,816,306

The remaining balance of net position, representing unrestricted net assets of (\$7,736,011) is reported as a deficit as a result of having long-term commitments including compensated absences and other post employment benefit obligations that are greater than currently available resources. Payments of these liabilities will be budgeted in the year that actual payment will be made. At the end of the current fiscal year, the Town is able to report positive net asset balances for the government as a whole.

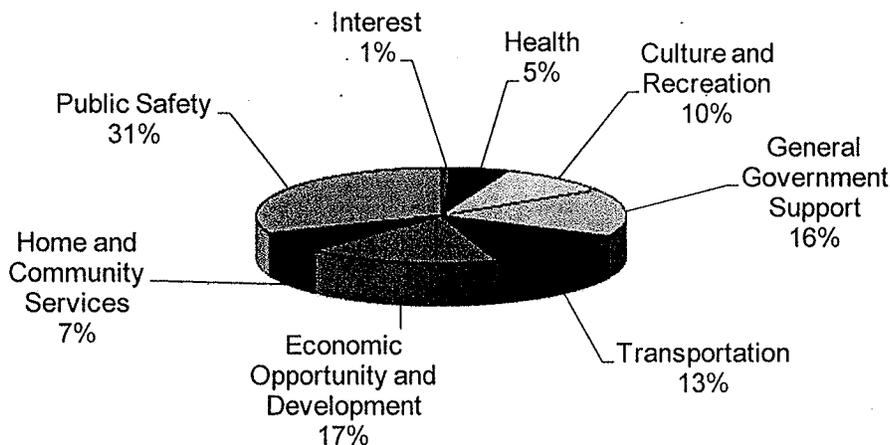
Changes in Net Assets

<u>Primary Government</u>	<u>Year Ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Program Revenues		
Charges for Services	\$ 6,461,674	\$ 5,980,220
Operating Grants and Contributions	6,569,200	8,053,771
Capital Grants and Contributions	92,627	439,579
General Revenues:		
Real Property Taxes	20,570,758	19,718,155
Other Tax Items	795,738	591,962
Non-Property Taxes	1,580,133	1,558,059
Unrestricted Use of Money and Property	43,717	80,525
Unrestricted State Aid	1,145,176	1,220,347
Sale of prop./comp for loss	16,480	2,221
Miscellaneous	119,750	24,171
Total Revenues	<u>37,395,253</u>	<u>37,669,010</u>
Program Expenses		
General Government Support	6,670,558	6,110,505
Public Safety	12,748,596	12,515,193
Health	1,928,369	1,929,655
Transportation	5,415,797	5,359,368
Economic Opportunity and Development	6,869,339	7,376,307
Culture and Recreation	4,176,627	4,239,094
Home and Community Services	2,750,244	2,723,806
Interest	553,436	547,612
Total Expenses	<u>41,112,966</u>	<u>40,801,540</u>
Change in Net Position	(3,717,713)	(3,132,530)
Net Position - Beginning	<u>17,877,341</u>	<u>21,009,871</u>
Net Position - Ending	<u>\$ 14,159,628</u>	<u>\$ 17,877,341</u>

**Sources of Revenue for Fiscal Year 2012
Governmental Activities**



**Expenses for Fiscal Year 2012
Governmental Activities**



Governmental activities decreased the Town's net position by \$3,717,713 for the fiscal year ended December 31, 2012.

Revenues for the year ended December 31, 2012, from governmental activities totaled \$37,395,253. Real Property Taxes of \$20,570,758 represent the largest revenue source (55%). Governmental activities expenses of the Town totaled \$41,112,966. The largest components of these expenses are in the areas of Public Safety (31%), Economic Opportunity & Development (17%), General Government Support (16%), Transportation (13%), Culture and Recreation (10%) and Home and Community Services (7%).

Financial Analysis of the Town's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective starting with the financial statements for the Town's fiscal period ending December 31, 2011. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

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

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

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

Governmental Funds:

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,657,780, a decrease of \$1,089,614 compared to last years ending balance of \$9,747,394. This is now presented under the GASB Statement No. 54 fund balance classifications. The nonspendable fund balance component is \$873,658, consists of amounts representing prepaid expenditures. Prepaid expenditures have been established to account for a portion of the New York state retirement and health insurance payments made in advance. Fund balance of \$936,262 is restricted for special purpose trusts and debt service. The assigned fund balance classification aggregates \$8,054,096, consisting primarily of amounts designated to balance the fiscal 2013 budget (\$135,000 in the Town Outside Villages Fund, \$50,000 in the Highway Fund and \$85,000 in the Special Districts Funds) and amounts available to be used at the Town's discretion in funds other than the General Fund (\$1,373,845 in the Town Outside Villages Fund, \$897,313 in the Highway Fund, \$2,053,286 in the Special Districts Fund, \$1,450,710 in the Section 8 Fund and \$2,000,500 in the non-major funds). The remaining fund balance of (\$1,206,236) is unassigned and represents the remaining positive fund balance in the General Fund of \$815,474 after amounts that have been restricted, committed or assigned for other purposes and the negative fund balance in the Capital Projects Fund of (\$2,021,710) representing the bond anticipation notes not recognized as revenue as the notes have not been redeemed as of December 31, 2012.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$815,474, representing 81% of the total General Fund balance of \$1,007,986. This is an increase over the prior year, when the total fund balance was \$729,250. All categories of revenue have realized increases compared with fiscal year ended 2011 with the exception of "Use of money and property" and State aid. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures and total fund balance to total expenditures. As a result of the increases in revenues, at the end of the current fiscal year, the General Fund showed a 9% unassigned fund balance to total expenditures and other financing uses. Total fund balance increased from 8% in 2011 to 11% of total expenditures in 2012.

Actual expenditures and other financing uses were approximately \$300,000 less than the amounts estimated to be expended in the 2012 operating budget. This positive expenditure variance along with a strengthened revenue stream resulted in a \$278,736 increase in total fund balance compared to fiscal year ended 2011.

The **Town Outside Villages Fund's** total fund balance at the end of the fiscal year was \$1,888,605, an increase of \$622,642 from the previous year. This primarily resulted from building permit fees and sales tax distribution revenue being approximately \$500,000 greater than the conservatively estimated final budget.

The **Highway Fund's** total fund balance at the end of the current fiscal year was \$1,083,671, an increase of \$237,757 from the previous year. A savings of approximately \$140,000 in snow removal costs due to a warmer and uneventful 2012 winter season offset the increases in storm related expenditures during the fall of 2012 due to Hurricane Sandy. In addition, the Town received approximately \$150,000 for Hurricane Irene storm damages from 2011.

The **Special Districts Fund's** total fund balance at the end of the current fiscal year was \$2,311,756, an increase of \$350,278 from the previous year. The increase is primarily the result of excess water district revenues and conservative expenditure budget estimates.

The **Capital Projects Fund** reflects a fund deficit of (\$2,021,710) at the end of the current fiscal year, a decrease of \$2,098,225 from the previous year. Total revenues aggregated \$318,206. \$244,152 represents transfers in from the various towns operating funds. A portion of revenue

was derived from state aid in the amount of \$26,810 to finance the purchase of fire department equipment and the justice courtroom equipment projects. \$47,244 is made up of \$26,000 of outside contributions for roads, sidewalks and curbing projects and approximately \$20,000 of contributions from the Villages of Larchmont and Mamaroneck for the mobile radio district equipment project. The Town also issued \$1,725,000 in new bond anticipation notes, which are not recognized as revenue until they are redeemed from budgetary appropriations or converted to long-term financing. Capital outlay expenditures totaled \$2,133,250.

Capital Assets

The Town's investment in capital assets for its governmental activities as of December 31, 2012, amounted to \$31,297,670 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

Capital Assets (Net of Accumulated Depreciation)

	2012	2011
Land	\$ 4,031,660	\$ 4,031,660
Buildings and Improvements	9,564,573	7,873,683
Machinery and Equipment	4,078,026	4,201,091
Infrastructure	12,038,325	12,061,281
Construction-in-Progress	1,585,086	3,466,730
	<u>\$ 31,297,670</u>	<u>\$ 31,634,445</u>

Additional information on the Town's capital assets can be found in Note 3 of this report.

Long-Term Debt & Short-Term Capital Borrowings

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$13,438,000. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

During the 2012 fiscal year, the Town paid \$1,240,000 in principal on outstanding long-term obligations and issued \$1,725,000 in short-term obligations (Bond Anticipation Notes) for various capital projects.

Additional information on the Town's long-term debt and short-term capital borrowings can be found in Note 3 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Stephen Altieri - Town Administrator or Anthony Siligato - Town Comptroller, Town of Mamaroneck, 740 W. Boston Post Road, Mamaroneck, New York 10543.

Town of Mamaroneck, New York

Statement of Net Position
December 31, 2012

	Governmental Activities	Component Unit Mamaroneck Housing Authority
ASSETS		
Cash and equivalents	\$ 22,172,707	\$ 19,435
Investments	1,460,835	688,643
Receivables		
Taxes, net	42,295,400	-
Accounts	407,700	-
Due from other governments	485,018	-
State and Federal aid	105,294	-
Rents	-	46,745
Interest	-	2,366
Prepaid expenses	873,658	-
Restricted assets	-	344,882
Deferred charges, net	-	37,586
Capital assets		
Not being depreciated	5,616,746	-
Being depreciated, net	25,680,924	3,609,036
Total Assets	<u>99,098,282</u>	<u>4,748,693</u>
LIABILITIES		
Accounts payable	994,393	10,000
Tenant deposits payable	-	59,688
Due to school districts	52,417,175	-
Bond interest and matured bonds payable	10,490	-
Retainages payable	66,723	-
Overpayments	132,198	-
Unearned revenues	27,271	-
Bond anticipation notes payable	4,465,000	-
Accrued interest payable	137,184	39,641
Non-current liabilities		
Due within one year	1,017,000	215,000
Due in more than one year	25,671,220	2,427,586
Total Liabilities	<u>84,938,654</u>	<u>2,751,915</u>
NET POSITION		
Net investment in capital assets	15,845,738	1,379,148
Restricted for		
Debt service	952,426	-
Special districts		
Water	1,450,988	-
Sewer	83,682	-
Ambulance	127,759	-
Section 8 housing assistance	1,450,710	-
Tri-Municipal Cable TV	1,750,500	-
Trusts	233,836	-
Unrestricted	(7,736,011)	617,630
Total Net Position	<u>\$ 14,159,628</u>	<u>\$ 1,996,778</u>

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

Town of Mamaroneck, New York

Statement of Activities
Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 6,670,558	\$ 1,631,229	\$ -	\$ 11,816
Public safety	12,748,596	363,306	36,398	14,994
Health	1,928,369	896,043	4,537	-
Transportation	5,415,797	568,692	226,294	47,244
Economic opportunity and development	6,869,339	-	5,454,067	-
Culture and recreation	4,176,627	2,357,574	2,957	-
Home and community services	2,750,244	644,830	844,947	-
Interest	553,436	-	-	18,573
Total Governmental Activities	<u>\$ 41,112,966</u>	<u>\$ 6,461,674</u>	<u>\$ 6,569,200</u>	<u>\$ 92,627</u>
Component unit - Mamaroneck Housing Authority	<u>\$ 742,839</u>	<u>\$ 815,151</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues				
Real property taxes				
Other tax items				
Interest and penalties on real property taxes				
Utilities gross receipts taxes				
Non-property taxes				
Non-property tax distribution from County				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Unrestricted State aid				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

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

Net (Expense) Revenues and Changes in Net Assets	
Governmental Activities	Component Unit Mamaroneck Housing Authority
\$ (5,027,513)	\$ -
(12,333,898)	-
(1,027,789)	-
(4,573,567)	-
(1,415,272)	-
(1,816,096)	-
(1,260,467)	-
(534,863)	-
(27,989,465)	-
-	72,312
20,570,758	-
794,283	-
1,455	-
1,580,133	-
43,717	12,964
16,480	-
1,145,176	-
119,750	34,602
24,271,752	47,566
(3,717,713)	119,878
17,877,341	1,876,900
\$ 14,159,628	\$ 1,996,778

Town of Mamaroneck, New York

Balance Sheet
 Governmental Funds
 December 31, 2012

	General	Town Outside Villages	Highway	Special Districts
ASSETS				
Cash and equivalents	\$ 11,931,828	\$ 1,382,226	\$ 1,041,121	\$ 862,711
Investments	-	-	-	1,460,835
Taxes receivable, net of allowance for uncollectible amounts	42,295,400	-	-	-
Other receivables				
Accounts	180,545	20,458	1,748	1,183
Due from other governments	17,129	407,359	7,395	31,891
State and Federal aid	105,294	-	-	-
Due from other funds	36,565	-	46,724	684
	<u>339,533</u>	<u>427,817</u>	<u>55,867</u>	<u>33,758</u>
Prepaid expenditures	192,512	371,318	136,358	173,470
Total Assets	<u>\$ 54,759,273</u>	<u>\$ 2,181,361</u>	<u>\$ 1,233,346</u>	<u>\$ 2,530,774</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 163,760	\$ 181,613	\$ 149,675	\$ 172,454
Due to school districts	52,417,175	-	-	-
Bond interest and matured bonds payable	-	-	-	-
Due to other funds	8,572	111,143	-	46,564
Retainages payable	-	-	-	-
Overpayments	132,198	-	-	-
Unearned revenues	1,029,582	-	-	-
Bond anticipation notes payable	-	-	-	-
Total Liabilities	<u>53,751,287</u>	<u>292,756</u>	<u>149,675</u>	<u>219,018</u>
Fund balances (deficits)				
Nonspendable	192,512	371,318	136,358	173,470
Restricted	-	-	-	-
Assigned	-	1,517,287	947,313	2,138,286
Unassigned	815,474	-	-	-
Total Fund Balances (Deficits)	<u>1,007,986</u>	<u>1,888,605</u>	<u>1,083,671</u>	<u>2,311,756</u>
Total Liabilities and Fund Balances	<u>\$ 54,759,273</u>	<u>\$ 2,181,361</u>	<u>\$ 1,233,346</u>	<u>\$ 2,530,774</u>

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

<u>Section 8 Housing Assistance</u>	<u>Capital Projects</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 1,496,200	\$ 2,994,638	\$ 2,463,983	\$ 22,172,707
-	-	-	1,460,835
-	-	-	42,295,400
-	-	203,766	407,700
-	21,244	-	485,018
-	-	-	105,294
-	87,533	279,503	451,009
-	108,777	483,269	1,449,021
-	-	-	873,658
<u>\$ 1,496,200</u>	<u>\$ 3,103,415</u>	<u>\$ 2,947,252</u>	<u>\$ 68,251,621</u>

\$ 43,090	\$ 283,801	\$ -	\$ 994,393
-	-	-	52,417,175
-	-	10,490	10,490
2,400	282,330	-	451,009
-	66,723	-	66,723
-	-	-	132,198
-	27,271	-	1,056,853
-	4,465,000	-	4,465,000
45,490	5,125,125	10,490	59,593,841
-	-	-	873,658
-	-	936,262	936,262
1,450,710	-	2,000,500	8,054,096
-	(2,021,710)	-	(1,206,236)
1,450,710	(2,021,710)	2,936,762	8,657,780
<u>\$ 1,496,200</u>	<u>\$ 3,103,415</u>	<u>\$ 2,947,252</u>	<u>\$ 68,251,621</u>

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Town of Mamaroneck, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position
December 31, 2012

Fund Balances - Total Governmental Funds	\$ 8,657,780
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.	<u>31,297,670</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	<u>1,029,582</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds. Accrued interest payable	(137,184)
Bonds payable	(13,438,000)
Compensated absences	(470,220)
Other post employment benefit obligations payable	<u>(12,780,000)</u>
	<u>(26,825,404)</u>
Net Position of Governmental Activities	<u>\$ 14,159,628</u>

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

Town of Mamaroneck, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended December 31, 2012

	General	Town Outside Villages	Highway	Special Districts
REVENUES				
Real property taxes	\$ 2,863,375	\$ 8,829,978	\$ 4,123,391	\$ 5,199,357
Other tax items	795,738	-	-	-
Non-property taxes	-	1,580,133	-	-
Departmental income	3,115,792	157,949	26,228	1,469,521
Intergovernmental charges	-	-	508,446	54,669
Use of money and property	303,863	-	210	2,754
Licenses and permits	47,675	426,728	-	-
Fines and forfeitures	225,414	14,000	-	-
Sale of property and compensation for loss	1,341	15,139	57,728	6,498
State aid	1,456,998	3,852	101,350	2,765
Federal aid	99,908	11,555	108,327	8,297
Miscellaneous	174,226	113,012	26,677	24,581
Total Revenues	9,084,330	11,152,346	4,952,357	6,768,442
EXPENDITURES				
Current				
General government support	3,386,137	374,260	-	-
Public safety	-	5,473,530	-	1,677,426
Health	304,010	50,000	-	1,024,027
Transportation	116,506	7,775	2,755,286	227,617
Economic opportunity and development	488,114	-	-	-
Culture and recreation	1,999,726	1,151,689	-	-
Home and community services	381,265	177,911	-	1,786,157
Employee benefits	1,810,680	3,102,956	1,118,881	1,153,468
Debt service				
Principal	-	-	-	-
Interest	13,500	-	-	11,160
Capital outlay	-	-	-	-
Total Expenditures	8,499,938	10,338,121	3,874,167	5,879,855
Excess (Deficiency) of Revenues Over Expenditures	584,392	814,225	1,078,190	888,587
OTHER FINANCING SOURCES (USES)				
Transfers in	107,370	121,036	309	684
Transfers out	(413,026)	(312,619)	(840,742)	(538,993)
Total Other Financing Sources (Uses)	(305,656)	(191,583)	(840,433)	(538,309)
Net Change in Fund Balances	278,736	622,642	237,757	350,278
Fund Balances - Beginning of Year	729,250	1,265,963	845,914	1,961,478
Fund Balances (Deficits) - End of Year	\$ 1,007,986	\$ 1,888,605	\$ 1,083,671	\$ 2,311,756

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

Section 8 Housing Assistance	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 21,016,101
-	-	-	795,738
-	-	-	1,580,133
-	-	927,047	5,696,537
-	-	-	563,115
3,229	-	20,569	330,625
-	-	-	474,403
-	-	-	239,414
-	-	-	80,706
-	26,810	-	1,591,775
5,732,613	-	-	5,960,700
77,178	47,244	77,080	539,998
<u>5,813,020</u>	<u>74,054</u>	<u>1,024,696</u>	<u>38,869,245</u>
-	-	814,300	4,574,697
-	-	-	7,150,956
-	-	-	1,378,037
-	-	-	3,107,184
6,646,968	-	-	7,135,082
-	-	-	3,151,415
-	-	4,734	2,350,067
-	-	-	7,185,985
-	-	1,240,000	1,240,000
-	-	527,526	552,186
-	2,133,250	-	2,133,250
<u>6,646,968</u>	<u>2,133,250</u>	<u>2,586,560</u>	<u>39,958,859</u>
<u>(833,948)</u>	<u>(2,059,196)</u>	<u>(1,561,864)</u>	<u>(1,089,614)</u>
-	244,152	2,046,504	2,520,055
-	(283,181)	(131,494)	(2,520,055)
-	(39,029)	1,915,010	-
<u>(833,948)</u>	<u>(2,098,225)</u>	<u>353,146</u>	<u>(1,089,614)</u>
<u>2,284,658</u>	<u>76,515</u>	<u>2,583,616</u>	<u>9,747,394</u>
<u>\$ 1,450,710</u>	<u>\$ (2,021,710)</u>	<u>\$ 2,936,762</u>	<u>\$ 8,657,780</u>

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Town of Mamaroneck, 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, 2012

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

Net Change in Fund Balances - Total Governmental Funds \$ (1,089,614)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period. This amount may be less than the total capital outlay since capital outlay includes amounts under the capitalization threshold.

Capital outlay expenditures	1,447,193
Depreciation expense	<u>(1,783,968)</u>
	<u>(336,775)</u>

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

Real property taxes	<u>(445,343)</u>
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal paid on bonds	<u>1,240,000</u>
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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	(1,250)
Compensated absences	(74,731)
Other post employment benefit obligations	<u>(3,010,000)</u>
	<u>(3,085,981)</u>

Change in Net Position of Governmental Activities \$ (3,717,713)

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

Town of Mamaroneck, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,130,836	\$ 3,130,836	\$ 2,863,375	\$ (267,461)
Other tax items	473,000	473,000	795,738	322,738
Non-property taxes	-	-	-	-
Departmental income	2,983,500	2,983,500	3,115,792	132,292
Intergovernmental charges	-	-	-	-
Use of money and property	355,000	355,000	303,863	(51,137)
Licenses and permits	18,600	18,600	47,675	29,075
Fines and forfeitures	275,000	275,000	225,414	(49,586)
Sale of property and compensation for loss	2,500	2,500	1,341	(1,159)
State aid	1,398,700	1,398,700	1,456,998	58,298
Federal aid	56,180	56,180	99,908	43,728
Miscellaneous	46,870	46,870	174,226	127,356
Total Revenues	8,740,186	8,740,186	9,084,330	344,144
EXPENDITURES				
Current				
General government support	3,426,594	3,430,294	3,386,137	44,157
Public safety	-	-	-	-
Health	350,000	350,000	304,010	45,990
Transportation	125,510	125,510	116,506	9,004
Economic opportunity and development	430,530	430,530	488,114	(57,584)
Culture and recreation	2,159,845	2,159,845	1,999,726	160,119
Home and community services	384,690	396,526	381,265	15,261
Employee benefits	1,893,500	1,893,500	1,810,680	82,820
Debt service	-	-	-	-
Interest	13,500	13,500	13,500	-
Total Expenditures	8,784,169	8,799,705	8,499,938	299,767
Excess (Deficiency) of Rev- enues Over Expenditures	(43,983)	(59,519)	584,392	643,911
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	105,536	107,370	1,834
Transfers out	(413,026)	(413,026)	(413,026)	-
Total Other Financing Uses	(323,026)	(307,490)	(305,656)	1,834
Net Change in Fund Balances	(367,009)	(367,009)	278,736	645,745
Fund Balances - Beginning of Year	367,009	367,009	729,250	362,241
Fund Balances - End of Year	\$ -	\$ -	\$ 1,007,986	\$ 1,007,986

Town Outside Villages Fund				Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,859,723	\$ 8,859,723	\$ 8,829,978	\$ (29,745)	\$ 4,137,281	\$ 4,137,281	\$ 4,123,391	\$ (13,890)
-	-	-	-	-	-	-	-
1,300,000	1,300,000	1,580,133	280,133	-	-	-	-
135,000	135,000	157,949	22,949	15,000	15,000	26,228	11,228
-	-	-	-	438,000	438,000	508,446	70,446
-	-	-	-	200	200	210	10
205,000	205,000	426,728	221,728	-	-	-	-
3,500	3,500	14,000	10,500	-	-	-	-
-	-	15,139	15,139	22,500	22,500	57,728	35,228
2,000	2,000	3,852	1,852	65,000	65,000	101,350	36,350
1,500	1,500	11,555	10,055	-	-	108,327	108,327
3,000	3,000	113,012	110,012	-	-	26,677	26,677
<u>10,509,723</u>	<u>10,509,723</u>	<u>11,152,346</u>	<u>642,623</u>	<u>4,677,981</u>	<u>4,677,981</u>	<u>4,952,357</u>	<u>274,376</u>
582,150	582,150	374,260	207,890	-	-	-	-
5,208,890	5,208,890	5,473,530	(264,640)	-	-	-	-
50,000	50,000	50,000	-	-	-	-	-
22,100	22,100	7,775	14,325	2,705,780	2,753,835	2,755,286	(1,451)
-	-	-	-	-	-	-	-
1,157,150	1,157,150	1,151,689	5,461	-	-	-	-
172,925	191,625	177,911	13,714	-	-	-	-
3,351,500	3,351,500	3,102,956	248,544	1,181,700	1,181,700	1,118,881	62,819
-	-	-	-	-	-	-	-
<u>10,544,715</u>	<u>10,563,415</u>	<u>10,338,121</u>	<u>225,294</u>	<u>3,887,480</u>	<u>3,935,535</u>	<u>3,874,167</u>	<u>61,368</u>
<u>(34,992)</u>	<u>(53,692)</u>	<u>814,225</u>	<u>867,917</u>	<u>790,501</u>	<u>742,446</u>	<u>1,078,190</u>	<u>335,744</u>
-	-	121,036	121,036	-	-	309	309
(215,008)	(223,708)	(312,619)	(88,911)	(840,501)	(840,501)	(840,742)	(241)
(215,008)	(223,708)	(191,583)	32,125	(840,501)	(840,501)	(840,433)	68
(250,000)	(277,400)	622,642	900,042	(50,000)	(98,055)	237,757	335,812
250,000	277,400	1,265,963	988,563	50,000	98,055	845,914	747,859
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,888,605</u>	<u>\$ 1,888,605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,083,671</u>	<u>\$ 1,083,671</u>

(Continued)

Town of Mamaroneck, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2012

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 5,216,400	\$ 5,216,400	\$ 5,199,357	\$ (17,043)
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	1,108,133	1,108,133	1,469,521	361,388
Intergovernmental charges	50,000	50,000	54,669	4,669
Use of money and property	1,200	1,200	2,754	1,554
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	2,500	2,500	6,498	3,998
State aid	-	-	2,765	2,765
Federal aid	-	-	8,297	8,297
Miscellaneous	-	-	24,581	24,581
Total Revenues	6,378,233	6,378,233	6,768,442	390,209
EXPENDITURES				
Current				
General government support	-	-	-	-
Public safety	1,712,060	1,712,060	1,677,426	34,634
Health	1,011,115	1,011,115	1,024,027	(12,912)
Transportation	186,515	186,515	227,617	(41,102)
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	1,869,290	1,869,290	1,786,157	83,133
Employee benefits	1,224,100	1,224,100	1,153,468	70,632
Debt service				
Interest	11,160	11,160	11,160	-
Total Expenditures	6,014,240	6,014,240	5,879,855	134,385
Excess (Deficiency) of Rev- enues Over Expenditures	363,993	363,993	888,587	524,594
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	684	684
Transfers out	(538,993)	(538,993)	(538,993)	-
Total Other Financing Uses	(538,993)	(538,993)	(538,309)	684
Net Change in Fund Balances	(175,000)	(175,000)	350,278	525,278
Fund Balances - Beginning of Year	175,000	175,000	1,961,478	1,786,478
Fund Balances - End of Year	\$ -	\$ -	\$ 2,311,756	\$ 2,311,756

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

Town of Mamaroneck, New York

Statement of Net Position
Fiduciary Funds
December 31, 2012

	<u>Agency</u>	<u>Pension Trust</u>
ASSETS		
Cash		
Demand deposits	\$ 430,640	\$ -
Investments, at fair value		
Group annuity fixed income	-	852,441
	<u>430,640</u>	<u>852,441</u>
Total Assets		
LIABILITIES		
Accounts payable	1,184	-
Employee payroll deductions	2,410	-
Deposits	427,046	-
	<u>430,640</u>	<u>-</u>
Total Liabilities		
NET POSITION		
Held in trust for pension benefits (a schedule of funding progress for the plan is presented in the required supplementary information)	<u>\$ -</u>	<u>\$ 852,441</u>

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

Town of Mamaroneck, New York

Statement of Changes in Net Position

Fiduciary Funds - Pension Trust Fund - Fire Service Awards Program

Year Ended December 31, 2012

ADDITIONS

Pension and life insurance contributions	\$ 43,207
Interest income	20,659
Net change in fair value of investments	<u>19,612</u>
Total Additions	<u>83,478</u>

DEDUCTIONS

Pension benefits	55,278
Life insurance premiums	8,442
Administrative costs	<u>1,388</u>
Total Deductions	<u>65,108</u>

Net Increase in Plan Net Position 18,370

Net Position Held in Trust for Pension Benefits - Beginning of Year 834,071

Net Position Held in Trust for Pension Benefits - End of Year \$ 852,441

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

Town of Mamaroneck, New York

Notes to Financial Statements
December 31, 2012

Note 1 - Summary of Significant Accounting Policies

The Town of Mamaroneck, New York ("Town") was established in 1661 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 Administrator serves as the chief executive officer and the Town Comptroller serves as the chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

A. Financial Reporting Entity

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

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

The Mamaroneck Housing Authority ("Housing Authority") was organized in July 1992 as a municipal housing authority created and established under the Public Housing Law of the State of New York to provide affordable housing. The members of the Housing Authority's Board are appointed by the Town Board and, therefore, the Town is considered able to impose its will on the Housing Authority. Bonds issued by the Housing Authority are guaranteed by the Town. Since the Housing Authority does not provide services entirely or almost entirely to the Town, the financial statements of the Housing Authority have been reflected as a discretely presented component unit.

Complete financial statements of the component unit can be obtained from its administrative office at the address indicated below.

Town of Mamaroneck Housing Authority
740 West Boston Post Road
Mamaroneck, New York 10543

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole and its component unit. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

C. Fund Financial Statements

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

Fund Categories

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

General Fund - The General Fund constitutes the primary operating fund of the Town in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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 revenues of this fund are real property taxes and State aid.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, sewer, street lighting, fire protection, refuse and garbage and ambulance districts. The major revenues of this fund are real property taxes, departmental income and use of money and property.

Section 8 Housing Assistance Fund - The Section 8 Housing Assistance Fund is provided to account for resources received from the U.S. Department of Housing and Urban Development for housing assistance payment purposes. The major revenues of this fund are Federal aid.

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 capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

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

Special Revenue Funds:

Tri-Municipal Cable T.V. Fund - The Tri-Municipal Cable T.V. Fund is used to account for franchise fees collected and expenditures for the joint activity cable T.V. operations. The major revenues of this fund are departmental income.

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.

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

- 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. These include the Pension Trust and Agency Funds. The Pension Trust Fund is provided to account for the service awards program for volunteer firefighters. The Agency Fund is used to account for employee payroll withholdings or deposits that are payable to other jurisdictions or individuals.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, as is the Pension Trust Fund. 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.

Component Units

Component units are presented on the basis of accounting that most accurately reflects their activities. The Housing Authority is accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

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

Deposits, Investments 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.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

The Town's investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2012.

Investment Pool - The Town participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to General Municipal Law that meets the definition of a 2a7-like pool. In accordance with the provisions of General Municipal Law, Article 3A, CLASS has designated Cutwater Asset Management, a wholly owned subsidiary of MBIA, Inc. as its registered investment advisor. MBIA, Inc. is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

CLASS is authorized to invest in various securities issued by the United States and its agencies. The amount represents the amortized cost of the shares and is considered to approximate fair value. The Town's position in CLASS is equal to the value of the CLASS shares. Additional information concerning CLASS is presented in the annual report of the Cooperative Liquid Asset Securities System, which may be obtained from MBIA Investors Service Corporation, 113 King Street, Armonk, NY 10504.

CLASS is rated AAAM by Standard and Poor's Ratings. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

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

Investments of the Pension Trust Fund are stated at fair value. The amounts are invested in various portfolios by the trustee of the Fund, who has been designated by the State

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

Comptroller. These investments are unrated. The Town has no formal policy relating to interest rate or credit risk for Pension Trust Fund investments.

Investments of the Housing Authority consist of negotiable certificates of deposit and money market funds. The investments are not subject to risk categorization.

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 district taxes, which are due April 1st and payable without penalty to April 30th. School districts taxes are levied on July 1st and are due on September 1st, with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and the balance of forty percent on October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

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 expenses/expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2012, balances of interfund amounts receivable or payable have been recorded.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent amounts which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, which indicates

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Restricted Assets - The Housing Authority's restricted assets include rent security deposits required from tenants according to the terms of the lease agreements. In addition, certain proceeds from the Housing Authority revenue bonds, as well as certain other resources, are set aside pursuant to the terms of the bond indenture.

Deferred Charges - Deferred charges of the Housing Authority consist of organization costs and bond issuance costs. These costs are being amortized on a straight line basis over the life of the related asset.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure 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	30-50

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 fund balance sheet.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 \$1,029,582 for real property taxes in the General Fund and \$27,271 for State aid received in advance in the Capital Projects Fund. These amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

As of December 31, 2012, no amounts were required to be reported as deferred outflows/inflows of resources.

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

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

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

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position include, net investment in capital assets, restricted for debt service, special districts, Section 8 Housing Assistance, Tri-Municipal Cable TV and trusts. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

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

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

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

Assigned fund balance, in the General Fund, will represent amounts constrained either by the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Supervisor for amounts assigned as encumbrances. An assignment cannot 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.

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.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is March 28, 2013.

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) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 2 - Stewardship, Compliance and Accountability (Continued)

- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts, Tri-Municipal Cable TV and Debt Service funds.
- i) Budgets for General, Town Outside Villages, Highway, Special Districts, Tri-Municipal Cable TV and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted by the Town Board for the Section 8 Housing Assistance and Special Purpose funds.
- j) 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 an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in General, Town Outside Villages, Highway, Special Districts, Tri-Municipal Cable TV and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

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 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

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 2 - Stewardship, Compliance and Accountability (Continued)

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, 2012, the Town implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" ("GASB Statement No. 63"). This statement provides financial reporting guidance for these elements first introduced in GASB Concept Statement No. 4, "Elements of Financial Statements". Previous financial reporting standards did not include guidance for reporting these financial statement elements, which are distinct from assets and liabilities.

D. Expenditures in Excess of Budget

The following functional expenditure categories exceed their budgetary authorization by the amounts indicated.

General Fund:	
General Government Support:	
Town Board	\$ 730
Supervisor	2,032
Finance	16,053
Audit	4,525
Town Attorney	51,142
Engineer	9,530
Elections	525
Taxes on Town property	1,030
Judgments and claims	23,207
Economic Opportunity and Development -	
Programs for the Aging	57,584
Culture and Recreation -	
Special recreation facility	2,516
Employee Benefits -	
Disability insurance	16

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 2 - Stewardship, Compliance and Accountability (Continued)

Town Outside Villages:		
General Government Support -		
Central services	\$	5,631
Public Safety:		
Police		284,747
Public safety		2,082
Culture and Recreation -		
Joint youth advocate		205
Transfers Out -		
Capital Projects Fund		88,911
Highway Fund:		
Transportation	\$	1,451
Transfers Out		241
Special Districts Fund:		
Health	\$	12,912
Transportation		41,102
Tri-Municipality Cable T.V. Fund -		
General Government Support	\$	29,258

Fund Deficits

The Street Lighting and Refuse and Garbage Districts have unassigned deficits of \$22,132 and \$30,490, respectively, as of December 31, 2012. The Town plans to address these deficits in the ensuing years.

E. Capital Projects Fund Deficits

Fund Deficits

The unassigned deficit in the Capital Projects Fund of \$2,021,710 arise in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes issued are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficit, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 2 - Stewardship, Compliance and Accountability (Continued)

F. Excess of Actual Expenditures Over Budget

Expenditures of the Passenger Bus capital project exceeded its authorization by \$416.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at December 31, 2012 consisted of the following:

Town and County taxes - Current	\$ 562,052
School districts taxes - Current	41,157,280
Tax liens	5,208,860
Property acquired for taxes	<u>31,321</u>
	46,959,513
Allowance for uncollectible amounts	<u>(4,664,113)</u>
	<u><u>\$ 42,295,400</u></u>

School districts taxes are offset by liabilities to the school districts, which will be paid no later than April 5, 2013. Taxes receivable are also partially offset by unearned tax revenues of \$1,029,582 which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2012 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 36,565	\$ 8,572
Town Outside Villages	-	111,143
Highway	46,724	-
Special Districts	684	46,564
Section 8 Housing Assistance	-	2,400
Capital Projects	87,533	282,330
Non-Major Governmental	<u>279,503</u>	<u>-</u>
	<u><u>\$ 451,009</u></u>	<u><u>\$ 451,009</u></u>

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

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

C. Capital Assets

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

	Balance January 1, 2012	Additions	Deletions	Balance December 31, 2012
Capital Assets, not being depreciated				
Land	\$ 4,031,660	\$ -	\$ -	\$ 4,031,660
Construction-in-progress	3,466,730	592,501	2,474,145	1,585,086
Total Capital Assets, not being depreciated	<u>\$ 7,498,390</u>	<u>\$ 592,501</u>	<u>\$ 2,474,145</u>	<u>\$ 5,616,746</u>
Capital Assets, being depreciated				
Buildings and improvements	\$ 12,730,920	\$ 2,026,303	\$ -	\$ 14,757,223
Machinery and equipment	10,022,427	660,959	238,383	10,445,003
Infrastructure	27,128,911	641,575	-	27,770,486
Total Capital Assets, being depreciated	<u>49,882,258</u>	<u>3,328,837</u>	<u>238,383</u>	<u>52,972,712</u>
Less Accumulated Depreciation for				
Buildings and improvements	4,857,237	335,413	-	5,192,650
Machinery and equipment	5,821,336	784,024	238,383	6,366,977
Infrastructure	15,067,630	664,531	-	15,732,161
Total Accumulated Depreciation	<u>25,746,203</u>	<u>1,783,968</u>	<u>238,383</u>	<u>27,291,788</u>
Total Capital Assets, being depreciated, net	<u>\$ 24,136,055</u>	<u>\$ 1,544,869</u>	<u>\$ -</u>	<u>\$ 25,680,924</u>
Capital Assets, net	<u>\$ 31,634,445</u>	<u>\$ 2,137,370</u>	<u>\$ 2,474,145</u>	<u>\$ 31,297,670</u>

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

Governmental Activities:	
General Government Support	\$ 139,994
Public Safety	358,371
Health	45,238
Transportation	857,768
Economic Opportunity and Development	78,678
Culture and Recreation	101,358
Home and Community Services	<u>202,561</u>
Total Depreciation Expense	<u>\$ 1,783,968</u>

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Capital Assets - Component Unit

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

	Balance January 1, 2012	Additions	Balance December 31, 2012
Capital Assets, being depreciated			
Buildings and improvements	\$ 5,684,416	\$ 43,885	\$ 5,728,301
Machinery and equipment	590,994	-	590,994
Total Capital Assets, being depreciated	<u>6,275,410</u>	<u>43,885</u>	<u>6,319,295</u>
Less Accumulated Depreciation for			
Buildings and improvements	2,377,174	144,488	2,521,662
Machinery and equipment	147,541	41,056	188,597
Total Accumulated Depreciation	<u>2,524,715</u>	<u>185,544</u>	<u>2,710,259</u>
Total Capital Assets, being depreciated, net	<u>\$ 3,750,695</u>	<u>\$ (141,659)</u>	<u>\$ 3,609,036</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 member's 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 ended March 31, 2013 are as follows:

	Tier/Plan	Rate
ERS	2 75I	23.2%
	3 A14	18.6
	4 A15	18.6
	5 A15	15.1
	6 A15	10.1

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
PFRS	2 375I	18.1%
	2 384D	25.1
	5 384D	24.1
	5 384D*	20.1
	6 384D	21.6
	6 384D*	14.6

*Indicates employees are required to make contributions for this PFRS plan/tier.

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

	<u>ERS</u>	<u>PFRS</u>
2012	\$ 928,170	\$ 1,328,108
2011	790,819	1,089,230
2010	623,110	863,593

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

Of the current ERS contribution, \$482,277 was charged to the General Fund, \$94,952 was charged to the Town Outside Villages Fund, \$300,449 was charged to the Highway Fund and \$50,492 was charged to the Special Districts Fund - Ambulance District. Of the current PFRS contribution, \$1,022,643 was charged to the Town Outside Villages Fund and \$305,465 was charged to the Special Districts Fund - Fire Protection District.

E. Pension Trust - Service Awards Program

The Town, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18, and after a year of service credit in a calendar year after 1994 under the provisions of the Program point system, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning one year of service credit) shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of \$800. The Program also provides disability and death benefits. The trustees of the Program, who are the members of the Town's Board, are authorized to invest the funds in authorized investment vehicles.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2012</u>
Retirees and beneficiaries currently receiving benefits	1
Terminated members entitled to but not yet receiving benefits	13
Active - non-vested	22
Active - vested	29

The Town is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The assumed investment rate of return is 4.75% and there are no cost of living adjustments.

The Town's annual Program cost, the percentage of the annual Program cost contributed to the Plan and the net pension obligation for the current and two preceding fiscal years were as follows:

	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of Annual Program Cost Contributed</u>	<u>Net Pension (Obligation) Asset</u>
2012	\$ 41,584	\$ 34,150	82.12 %	\$ 144,024
2011	40,031	32,591	81.41	151,458
2010	35,926	38,971	108.48	158,898

The schedule of funding progress for the defined benefit 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.

The current year contribution was charged to the Special Districts Fund-Fire Protection District. This contribution was equal to 82.12% of the actuarially required contribution.

F. Joint Ventures

The Town and the Village of Larchmont ("Village") participate in the Larchmont-Mamaroneck Joint Garbage Disposal Commission. The purpose of the joint venture is to provide incineration of garbage and refuse from the Village and the Town Garbage District.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

The following is an audited summary of cash basis financial information included in the financial statements of the joint venture. The information as of December 31, 2012 is not yet available.

Balance Sheet Date – December 31, 2011:

Total Assets	\$	1,538,938
Total Liabilities		416,204
Net Assets		1,122,734
Total Revenues		3,686,955
Total Expenditures		3,536,115
Increase in Net Assets		150,840

The Town, together with the Village of Mamaroneck and the Town/Village of Harrison, participate in the Westchester Joint Water Works. The purpose of the joint venture is to acquire, construct, provide, maintain and operate a water works system.

The following is an audited summary of special purpose financial information included in the financial statements of the joint venture.

Balance Sheet Date - December 31, 2012:

Total Assets	\$	9,528,757
Total Liabilities		22,180,128
Net Deficit		(12,651,371)
Total Revenues		23,076,563
Total Expenses		23,361,216
Net Decrease in Net Assets		(284,653)

The Town, together with the Villages of Mamaroneck and Larchmont, formed the Tri-Municipal Larchmont-Mamaroneck Cable TV Board of Control. The Board was organized to administer the franchise agreement with Verizon and UA-Columbia Cablevision of Westchester. The franchise fees received are used to operate three public cable TV channels, serving the community interests of Larchmont and Mamaroneck.

The following is an audited summary of financial information included in the financial statements of the Larchmont-Mamaroneck Community Television joint venture.

Balance Sheet Date - December 31, 2012:

Total Assets	\$	146,565
Total Liabilities		6,739
Net Assets		139,826
Total Revenues		551,208
Total Expenses		539,965
Net Increase in Net Assets		11,243

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

G. Short-Term Capital Borrowings

The schedule below details the changes in short-term capital borrowings.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2012	New Issues	Redemptions	Balance December 31, 2012
Fire Apparatus	2011	5/23/13	1.15 %	\$ 1,050,000	\$ -	\$ -	\$ 1,050,000
Sanitation Vehicle	2011	-	-	190,000	-	190,000	-
Town Center Building Improvement	2011	-	-	130,000	-	130,000	-
Townwide Property Revaluation	2011	-	-	1,300,000	-	1,300,000	-
Senior Center Improvements	2011	-	-	70,000	-	70,000	-
Sanitation Vehicle	2012	5/23/13	0.40	-	190,000	-	190,000
Town Center Building Improvement	2012	5/23/13	0.40	-	130,000	-	130,000
Townwide Property Revaluation	2012	5/23/13	0.40	-	1,300,000	-	1,300,000
Senior Center Improvements	2012	5/23/13	0.40	-	70,000	-	70,000
Highway Garage Vehicle and Equipment	2012	5/23/13	0.40	-	350,000	-	350,000
Sanitation Vehicle	2012	5/23/13	0.40	-	190,000	-	190,000
Water Capital Improvement	2012	5/23/13	0.40	-	325,000	-	325,000
Two-Way Ratio Upgrade	2012	5/23/13	0.40	-	125,000	-	125,000
Computer Software	2012	5/23/13	0.40	-	60,000	-	60,000
Computer Hardware and Equipment	2012	5/23/13	0.40	-	15,000	-	15,000
Administrative Vehicles	2012	5/23/13	0.40	-	55,000	-	55,000
Passenger Bus	2012	5/23/13	0.40	-	60,000	-	60,000
Sanitary Sewer Pump Station	2012	5/23/13	0.40	-	65,000	-	65,000
Ice Rink Improvements	2012	5/23/13	0.40	-	430,000	-	430,000
Pool Improvements	2012	5/23/13	0.40	-	50,000	-	50,000
				<u>\$ 2,740,000</u>	<u>\$ 3,415,000</u>	<u>\$ 1,690,000</u>	<u>\$ 4,465,000</u>

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

Interest expenditures of \$24,660 were recorded in the fund and government-wide financial statements in the funds identified below.

Fund	Amount
General	\$ 13,500
Special Districts	11,160
	<u>\$ 24,660</u>

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

H. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2012:

	Balance January 1, 2012	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2012	Due Within One Year
Governmental Activities					
Bonds Payable	\$ 14,678,000	\$ -	\$ 1,240,000	\$ 13,438,000	\$ 970,000
Compensated Absences	395,489	114,731	40,000	470,220	47,000
Other Post Employment Benefit Obligations Payable	9,770,000	4,420,000	1,410,000	12,780,000	-
Governmental Activities Long-Term Liabilities	<u>\$ 24,843,489</u>	<u>\$ 4,534,731</u>	<u>\$ 2,690,000</u>	<u>\$ 26,688,220</u>	<u>\$ 1,017,000</u>
Mamaroneck Housing Authority Component Unit					
Revenue Bonds Payable	\$ 2,505,000	\$ -	\$ 210,000	\$ 2,295,000	\$ 215,000
Less: unamortized original issue discount	(30,423)	-	(2,897)	(27,526)	-
	2,474,577	-	207,103	2,267,474	215,000
Deferred Rent Payable	394,308	-	19,196	375,112	-
Component Unit - Long-Term Liabilities	<u>\$ 2,868,885</u>	<u>\$ -</u>	<u>\$ 226,299</u>	<u>\$ 2,642,586</u>	<u>\$ 215,000</u>

Each governmental fund's liability for judgments and claims, compensated absences and other post employment benefit obligations payable are liquidated by the respective fund. Governmental liabilities for bonds are liquidated by the Debt Service Fund, which is funded by the General, Town Outside Villages, Highway and Special Districts funds.

Bonds Payable

Bonds payable at December 31, 2012 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2012
Public Improvements	2002	\$ 3,982,000	June, 2018	4.125 - 4.500 %	\$ 1,780,000
Public Improvements	2004	2,935,000	July, 2019	3.750 - 3.800	1,575,000
Fire District Improvements	2004	188,000	May, 2014	3.875	48,000
Public Improvements	2007	3,378,000	September, 2027	3.750 - 4.250	2,780,000
Fire District Improvements	2007	460,000	October, 2022	4.250 - 4.375	340,000
Public Improvements	2009	4,170,000	March, 2029	2.375 - 4.125	3,740,000
Public Improvements	2010	3,320,000	October, 2030	2.000 - 3.500	3,175,000
					<u>\$ 13,438,000</u>

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2012 including interest payments of \$3,980,982 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 970,000	\$ 487,086	\$ 1,457,086
2014	1,003,001	453,932	1,456,933
2015	1,000,001	418,466	1,418,467
2016	1,035,001	382,560	1,417,561
2017	1,080,000	344,703	1,424,703
2018-2022	3,765,001	1,221,799	4,986,800
2023-2027	3,350,001	603,030	3,953,031
2028-2030	1,234,995	69,406	1,304,401
	<u>\$ 13,438,000</u>	<u>\$ 3,980,982</u>	<u>\$ 17,418,982</u>

Interest expenditures of \$527,526 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$528,776 was recorded in the government-wide financial statements for governmental activities.

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

Indebtedness - Component Units

Bonds payable at December 31, 2012 is comprised of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2012</u>
Hommocks Park Apartments	2003	\$ 4,005,000	August, 2021	3.5% - 4.375%	<u>\$ 2,295,000</u>

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

The annual requirements to amortize the bonds outstanding as of December 31, 2012 including interest payments of \$513,658 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 215,000	\$ 95,138	\$ 310,138
2014	225,000	87,076	312,076
2015	230,000	78,075	308,075
2016	245,000	68,875	313,875
2017	250,000	59,075	309,075
2018-2021	1,130,000	125,419	1,255,419
	2,295,000	<u>\$ 513,658</u>	<u>\$ 2,808,658</u>
Less - Unamortized original issue discount	<u>(27,526)</u>		
	<u>\$ 2,267,474</u>		

Interest expense of \$105,385 was recorded for the Housing Authority.

The revenue bonds are payable from the revenues received by the Housing Authority from the operation of the project. The Town has guaranteed payment of bond principal and interest.

The bonds are subject to redemption prior to maturity, at the direction of the Housing Authority and with the consent of the Town, upon the occurrence of one or more of the following events.

- 1) The Project is damaged or destroyed to the extent that; a) it cannot be reasonably repaired within a six month period or b) the Housing Authority would thereby be prevented from carrying on the normal rental operations of the project, as it existed prior to the damage, for a period of six months or more.
- 2) Title to, or the use of or possession of, all or substantially the entire project is condemned or taken under the exercise of the power of eminent domain by any governmental authority.

Under this extraordinary redemption provision, the bonds are subject to redemption as a whole at any time, but not in part, at a redemption price equal to 100% of the outstanding principal amount thereof without discount, together with accrued interest to the date of redemption.

At the option of the Housing Authority, the bonds maturing on or after August 1, 2014 will be subject to redemption prior to maturity on any date on or after August 1, 2013. The bonds may be redeemed either as a whole or in part, and if in part in order of maturity and in any amount within maturity, at the following redemption prices, plus accrued interest to the date of redemption.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price as a Percentage of Par</u>
August 1, 2013 through July 31, 2014	101%
August 1, 2014 and thereafter	100

Compensated Absences

Pursuant to its collective bargaining agreements, the Town is required to pay its civil service employees for accumulated sick leave upon retirement. The contract provides for the payment of \$65 per day for those days earned in excess of 165 days but not more than 240 days. The contract also provides for these employees to be compensated at their regular rate of pay for unused vacation time upon separation of employment up to a maximum of 30 days. No payment is provided for unused sick leave or vacation time for police and fire employees. The value of compensated absences has been reflected 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 as claims are paid. The Town has recognized revenues and expenditures of \$73,593 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees of which \$19,526 is reported in the General Fund, \$29,676 in the Town Outside Villages Fund, \$12,332 in the Highway Fund and \$12,059 in the Special Districts Fund - Fire District.

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 utilized do not explicitly incorporate the potential effects of legal or contractual funding

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed increase in postretirement benefits is 9.5% for the first year, decreases by .5% per year for 9 years to 5%, and then continues at 5% thereafter. The amortization basis is the level percentage of payroll method with an open amortization approach with 25 years remaining in the amortization period. The actuarial assumptions included a 4.5% investment rate of return. The unit credit method was used to determine the actuarial value of the assets of the OPEB plan, however, 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, 2012 was as follows:

Active Employees	126
Retired Employees	<u>104</u>
Total	<u><u>230</u></u>

Amortization Component:

Actuarial Accrued Liability as of January 1, 2012	\$ 50,320,000
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 50,320,000</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (Active plan members)	<u><u>\$ 11,270,000</u></u>
UAAL as a Percentage of Covered Payroll	<u><u>446.50%</u></u>
Annual Required Contribution	\$ 4,560,000
Interest on Net OPEB Obligation	440,000
Adjustment to Annual Required Contribution	<u>(580,000)</u>
Annual OPEB Cost	4,420,000
Contributions Made	<u>(1,410,000)</u>
Increase in Net OPEB Obligation	3,010,000
Net OPEB Obligation - Beginning of Year	<u>9,770,000</u>
Net OPEB Obligation - End of Year	<u><u>\$ 12,780,000</u></u>

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

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 two preceding years are as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 4,420,000	31.90 %	\$ 12,780,000
2011	4,440,000	30.41	9,770,000
2010	4,300,000	28.60	6,680,000

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 benefits over time.

I. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In						Total
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 383,026	\$ 413,026
Town Outside Villages Fund	53,700	-	-	-	133,911	125,008	312,619
Highway Fund	-	-	-	-	65,241	775,501	840,742
Special Districts Fund	40,000	-	-	-	15,000	483,993	538,993
Capital Projects Fund	1,834	1,378	309	684	-	278,976	283,181
Non-Major Governmental Funds	11,836	119,658	-	-	-	-	131,494
	<u>\$ 107,370</u>	<u>\$ 121,036</u>	<u>\$ 309</u>	<u>\$ 684</u>	<u>\$ 244,152</u>	<u>\$ 2,046,504</u>	<u>\$ 2,520,055</u>

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

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

J. Net Position

The components of net position are detailed below:

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

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

Restricted for Special Districts Funds, Section 8 Housing Assistance and Tri-Municipal Cable TV - the component of net position that represents funds restricted for specific purposes under New York State Law or by external parties and/or statutes.

Restricted for Trusts - has been established to set aside funds in accordance with the terms of the grants.

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

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

	2012						2011						
	Town			Section 8			Town			Section 8			
	General Fund	Outside Villages Fund	Highway Fund	Special Districts Fund	Housing Assistance Fund	Total	General Fund	Outside Villages Fund	Highway Fund	Special Districts Fund	Housing Assistance Fund	Total	Non-Major Governmental Funds
Nonspendable	\$ 192,512	\$ 371,318	\$ 136,358	\$ 173,410	\$ -	\$ 873,658	\$ 213,945	\$ 394,787	\$ 105,121	\$ 160,960	\$ -	\$ -	\$ -
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-	-	76,515	-
Trusts	-	-	-	-	-	233,836	-	-	-	-	-	-	173,239
Debt service	-	-	-	-	-	702,426	-	-	-	-	-	-	654,875
Total Restricted	-	-	-	-	-	936,262	-	-	-	-	-	76,515	828,114
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchases on order:	-	-	-	-	-	-	-	-	-	-	-	-	-
General government support	-	8,442	-	-	-	8,442	2,009	-	-	-	-	-	-
Public safety	-	8,442	-	-	-	8,442	2,009	-	-	-	-	-	-
Subsequent year's expenditures	-	135,000	50,000	85,010	-	870,000	365,000	250,000	50,000	175,000	-	-	350,000
Major funds	-	1,372,845	897,313	2,053,266	1,450,710	5,775,154	-	621,176	690,793	1,625,518	2,284,658	-	-
Non-Major Governmental funds - Tri-Municipal Cable T.V.	-	-	-	-	-	1,400,500	-	-	-	-	-	-	1,405,502
Total Assigned	815,474	1,517,287	947,313	2,138,266	1,450,710	8,054,096	367,009	871,176	740,793	1,800,518	2,284,658	-	1,755,502
Unassigned	-	-	-	-	-	(1,205,236)	148,296	-	-	-	-	-	-
Total Fund Balances	\$ 1,007,986	\$ 1,889,605	\$ 1,083,671	\$ 2,311,756	\$ 1,450,710	\$ 8,657,790	\$ 729,250	\$ 1,265,963	\$ 845,914	\$ 1,961,478	\$ 2,284,658	\$ 76,515	\$ 2,583,616
													\$ 9,747,394

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)

December 31, 2012

Note 3 - Detailed Notes on All Funds (Continued)

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

Prepaid Expenditures has been established to account for retirement and health insurance 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.

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

Subsequent year's expenditures represent that at December 31, 2012, 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 arising from false arrest, property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Town if adversely settled.

Westchester Joint Water Works ("WJWW") a joint venture of the Town as reported in note 3 is currently being fined by the New York State Health Department for not meeting a Supreme Court of the State of New York ruling requiring the construction of a filtration plant by December 3, 2008. These fines amount to \$19,471,250 as of December 31, 2012 and continue to accrue at \$13,750 a day. The Town's share of these fines is approximately \$3,607,000 or 18.5% of the total. Management of the WJWW has indicated that the State is holding in abeyance the imposition of these fines although they continue to be accrued by the WJWW. The Town has not accrued their share in the Special District Fund – Water District as the expectation of management is that the fines will be suspended or replaced with a negotiated settlement as the WJWW signed an inter-municipal agreement with the County for a filtration plant alternative.

The Town is also defendant in numerous tax certiorari proceedings, the results of which generally require tax refunds on the part of the Town. 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.

Town of Mamaroneck, New York

Notes to Financial Statements (Continued)
December 31, 2012

Note 5 - Other Matters (Continued)

B. Risk Management

The primary government purchases various conventional liability, workers' compensation and health insurance policies to protect against potential losses. The general liability policy provides coverage up to \$3 million and the Town has an excess umbrella liability policy with \$10 million of coverage. In addition, there is a public officials liability policy providing coverage of \$3 million. Finally there is an excess liability policy for an additional \$10 million. The Town's workers' compensation policy provides coverage at statutory levels. The Town also purchases conventional health insurance coverage for its employees. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Housing Authority purchases various conventional insurance policies to reduce its exposure to loss. The Housing Authority maintains a general liability policy with coverage up to \$5 million. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

C. Contingencies

The Town participates in various Federal grant programs. These programs are 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 Mamaroneck, New York

Required Supplementary Information - Schedule of Funding Progress
Pension Trust Fund - Fire Service Awards Program
Last Six Fiscal Years

<u>Actuarial Valuation Date December 31,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Overfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2007	\$ 615,084	\$ 335,585	\$ (279,499)	183.29 %
2008	637,028	366,219	(270,809)	173.95
2009	741,833	440,712	(301,121)	168.33
2010	752,852	403,472	(349,380)	186.59
2011	834,071	455,845	(378,226)	182.97
2012	852,441	534,678	(317,763)	159.43

Town of Mamaroneck, New York

Required Supplementary Information - Schedule of Contributions
Pension Trust Fund - Fire Service Awards Program
Last Six Fiscal Years

<u>Year Ended December 31,</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2007	\$ 24,916	\$ 68,447	275 %
2008	27,388	68,447	250
2009	41,387	68,447	165
2010	35,926	38,971	108
2011	40,031	32,591	81
2012	41,584	34,150	82

Town of Mamaroneck, 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, 2012	\$ -	\$ 50,320,000	\$ 50,320,000	- %	\$ 11,270,000	446.50 %
January 1, 2011	-	48,790,000	48,790,000	-	11,310,000	431.39
January 1, 2010	-	46,020,000	46,020,000	-	11,510,000	399.83

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Town of Mamaroneck, New York

General Fund
Comparative Balance Sheet
December 31,

	2012	2011
ASSETS		
Cash		
Demand deposits	\$ 11,930,378	\$ 12,297,206
Petty cash	1,450	1,450
	<u>11,931,828</u>	<u>12,298,656</u>
Investments	-	1,444
Taxes receivable		
Town and County taxes	562,052	661,942
School districts taxes	41,157,280	41,183,577
Tax liens	5,208,860	4,740,170
Property acquired for taxes	31,321	31,321
	<u>46,959,513</u>	<u>46,617,010</u>
Allowance for uncollectible amounts	<u>(4,664,113)</u>	<u>(3,855,772)</u>
	<u>42,295,400</u>	<u>42,761,238</u>
Other receivables		
Accounts	180,545	112,126
Due from other governments	17,129	8,307
State and Federal aid	105,294	33,785
Due from other funds	36,565	114,195
	<u>339,533</u>	<u>268,413</u>
Prepaid expenditures	<u>192,512</u>	<u>213,945</u>
Total Assets	<u>\$ 54,759,273</u>	<u>\$ 55,543,696</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 163,760	\$ 157,201
Due to school districts	52,417,175	52,146,960
Due to other funds	8,572	1,246
Due to other governments	-	820,955
Overpayments	132,198	213,159
Unearned revenues	1,029,582	1,474,925
Total Liabilities	<u>53,751,287</u>	<u>54,814,446</u>
Fund balance		
Nonspendable	192,512	213,945
Assigned	-	367,009
Unassigned	815,474	148,296
Total Fund Balance	<u>1,007,986</u>	<u>729,250</u>
Total Liabilities and Fund Balance	<u>\$ 54,759,273</u>	<u>\$ 55,543,696</u>

Town of Mamaroneck, New York

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

	2012			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,130,836	\$ 3,130,836	\$ 2,863,375	\$ (267,461)
Other tax items	473,000	473,000	795,738	322,738
Departmental income	2,983,500	2,983,500	3,115,792	132,292
Use of money and property	355,000	355,000	303,863	(51,137)
Licenses and permits	18,600	18,600	47,675	29,075
Fines and forfeitures	275,000	275,000	225,414	(49,586)
Sale of property and compensation for loss	2,500	2,500	1,341	(1,159)
State aid	1,398,700	1,398,700	1,456,998	58,298
Federal aid	56,180	56,180	99,908	43,728
Miscellaneous	46,870	46,870	174,226	127,356
Total Revenues	8,740,186	8,740,186	9,084,330	344,144
EXPENDITURES				
Current				
General government support	3,426,594	3,430,294	3,386,137	44,157
Health	350,000	350,000	304,010	45,990
Transportation	125,510	125,510	116,506	9,004
Economic opportunity and development	430,530	430,530	488,114	(57,584)
Culture and recreation	2,159,845	2,159,845	1,999,726	160,119
Home and community services	384,690	396,526	381,265	15,261
Employee benefits	1,893,500	1,893,500	1,810,680	82,820
Debt service				
Interest	13,500	13,500	13,500	-
Total Expenditures	8,784,169	8,799,705	8,499,938	299,767
Excess (Deficiency) of Rev- enues Over Expenditures	(43,983)	(59,519)	584,392	643,911
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	105,536	107,370	1,834
Transfers out	(413,026)	(413,026)	(413,026)	-
Total Other Financing Uses	(323,026)	(307,490)	(305,656)	1,834
Net Change in Fund Balance	(367,009)	(367,009)	278,736	645,745
Fund Balance - Beginning of Year	367,009	367,009	729,250	362,241
Fund Balance - End of Year	\$ -	\$ -	\$ 1,007,986	\$ 1,007,986

2011

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,126,643	\$ 3,126,643	\$ 2,160,338	\$ (966,305)
458,000	458,000	591,962	133,962
2,996,960	2,996,960	3,004,706	7,746
380,000	380,000	350,488	(29,512)
19,000	19,000	39,938	20,938
350,000	350,000	214,531	(135,469)
2,500	2,500	1,777	(723)
1,401,500	1,401,500	1,544,496	142,996
55,200	55,200	49,389	(5,811)
42,700	42,700	77,749	35,049
<u>8,832,503</u>	<u>8,832,503</u>	<u>8,035,374</u>	<u>(797,129)</u>
3,426,792	3,426,272	3,275,873	150,399
350,000	350,000	315,524	34,476
122,590	122,590	124,316	(1,726)
427,520	427,520	405,348	22,172
2,224,905	2,232,170	2,010,602	221,568
390,120	398,383	364,739	33,644
1,845,600	1,845,600	1,708,918	136,682
-	-	-	-
<u>8,787,527</u>	<u>8,802,535</u>	<u>8,205,320</u>	<u>597,215</u>
<u>44,976</u>	<u>29,968</u>	<u>(169,946)</u>	<u>(199,914)</u>
87,500	97,508	113,631	16,123
<u>(552,733)</u>	<u>(577,733)</u>	<u>(631,829)</u>	<u>(54,096)</u>
<u>(465,233)</u>	<u>(480,225)</u>	<u>(518,198)</u>	<u>(37,973)</u>
(420,257)	(450,257)	(688,144)	(237,887)
<u>420,257</u>	<u>450,257</u>	<u>1,417,394</u>	<u>967,137</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729,250</u>	<u>\$ 729,250</u>

Town of Mamaroneck, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2012

(With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
REAL PROPERTY TAXES	\$ 3,130,836	\$ 3,130,836	\$ 2,863,375	\$ (267,461)	\$ 2,160,338
OTHER TAX ITEMS					
Interest and penalties on real property taxes	465,000	465,000	794,283	329,283	579,128
Utilities gross receipts taxes	8,000	8,000	1,455	(6,545)	12,834
	473,000	473,000	795,738	322,738	591,962
DEPARTMENTAL INCOME					
Parking fees	250,000	250,000	304,679	54,679	287,656
Recreation fees	632,500	632,500	713,603	81,103	657,769
Clerk fees	7,500	7,500	11,749	4,249	9,655
Senior center dues	20,000	20,000	21,003	1,003	14,965
Pool charges	540,000	540,000	586,060	46,060	594,258
Ice rink charges	1,010,000	1,010,000	1,018,628	8,628	1,007,106
Section 8 Housing Assistance Fund reimbursement	523,500	523,500	460,070	(63,430)	433,297
	2,983,500	2,983,500	3,115,792	132,292	3,004,706
USE OF MONEY AND PROPERTY					
Earnings on investments	90,000	90,000	43,717	(46,283)	80,525
Rents	265,000	265,000	260,146	(4,854)	269,963
	355,000	355,000	303,863	(51,137)	350,488
	18,600	18,600	47,675	29,075	39,938
LICENSES AND PERMITS					
FINES AND FORFEITURES					
Fines and forfeited bail	275,000	275,000	225,414	(49,586)	214,531

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Minor sales	-	72	82
Insurance recoveries	2,500	469	1,695
	<u>2,500</u>	<u>(1,159)</u>	<u>1,777</u>
STATE AID			
Per capita	140,000	142,194	142,194
Mortgage tax	900,000	1,002,982	1,078,153
Youth programs	2,000	2,957	3,555
NGC-Mental Health Board	350,000	304,010	315,524
Emergency management assistance	-	286	-
Other	6,700	4,569	5,070
	<u>1,398,700</u>	<u>1,456,998</u>	<u>1,544,496</u>

FEDERAL AID

Programs for the aging	56,180	99,051	49,389
Emergency management assistance	-	857	-
	<u>56,180</u>	<u>43,728</u>	<u>49,389</u>

MISCELLANEOUS

Refund of prior year's expenditures	-	84,399	7,114
Medicare Part D reimbursements	-	19,526	15,121
Gifts and donations	46,870	54,476	53,578
Unclassified	-	15,825	1,936
	<u>46,870</u>	<u>174,226</u>	<u>77,749</u>
	<u>8,740,186</u>	<u>9,084,330</u>	<u>8,035,374</u>

TOTAL REVENUES

OTHER FINANCING SOURCES

Transfers in			
Town Outside Villages Fund	50,000	53,700	50,000
Special Districts Fund	40,000	40,000	34,000
Sewer District	-	-	2,010
Section 8 Housing Assistance Fund	-	1,834	13,657
Capital Projects Fund	-	-	13,964
Special Purpose Fund	-	11,836	-
	<u>90,000</u>	<u>107,370</u>	<u>113,631</u>

TOTAL OTHER FINANCING SOURCES

TOTAL REVENUES AND OTHER FINANCING SOURCES

	<u>\$ 8,830,186</u>	<u>\$ 9,191,700</u>	<u>\$ 8,149,005</u>
		<u>\$ 345,978</u>	

Town of Mamaroneck, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended December 31, 2012
 (With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 28,150	\$ 28,150	\$ 28,880	\$ (730)	\$ 30,205
Town Justice Supervisor	244,290	244,290	212,563	31,727	217,479
Town Administrator	105,270	105,270	107,302	(2,032)	98,807
Finance	277,485	284,885	283,282	1,603	271,821
Audit	559,680	559,680	575,733	(16,053)	553,250
Assessor	65,000	65,000	69,525	(4,525)	67,550
Town Clerk	389,450	389,449	385,980	3,469	359,535
Town Attorney	203,580	203,580	200,876	2,704	207,072
Personnel	174,850	174,851	225,993	(51,142)	201,801
Engineer	105,610	101,910	95,518	6,392	96,397
Elections	130,950	130,950	140,480	(9,530)	115,548
Town Center	38,000	37,999	38,524	(525)	37,402
Central communications	377,720	377,720	357,004	20,716	348,811
Central services	67,600	67,601	51,541	16,060	67,051
Central data processing	140,959	140,959	123,567	17,392	122,010
Municipal association dues	250,000	250,000	210,379	39,621	223,743
Taxes on Town property	4,000	4,000	3,325	675	3,925
Judgments and claims	70,000	70,000	71,030	(1,030)	67,926
Unallocated insurance	55,000	55,000	78,207	(23,207)	41,557
Metropolitan commuter transportation mobility tax	125,000	125,000	115,585	9,415	131,270
	14,000	14,000	10,843	3,157	12,713
	<u>3,426,594</u>	<u>3,430,294</u>	<u>3,386,137</u>	<u>44,157</u>	<u>3,275,873</u>
HEALTH					
Narcotics Guidance Council	350,000	350,000	304,010	45,990	315,524
TRANSPORTATION					
Superintendent of Highways	107,060	107,059	105,762	1,297	106,280
Off-street parking	18,450	18,451	10,744	7,707	18,036
	<u>125,510</u>	<u>125,510</u>	<u>116,506</u>	<u>9,004</u>	<u>124,316</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the Aging	415,530	415,530	473,114	(57,584)	390,348
Community Action Program	15,000	15,000	15,000	-	15,000
	430,530	430,530	488,114	(57,584)	405,348

CULTURE AND RECREATION

General recreation	314,850	314,850	303,178	11,672	292,457
Ice rink	593,700	593,700	539,778	53,922	534,624
Youth programs	450,975	450,975	393,594	57,381	402,642
Pool	647,090	647,090	635,757	11,333	643,390
Adult recreation	125,230	125,230	96,903	28,327	105,818
Special recreation facility	28,000	28,000	30,516	(2,516)	31,671
	2,159,845	2,159,845	1,999,726	160,119	2,010,602

HOME AND COMMUNITY SERVICES

Community beautification	26,050	37,886	29,683	8,203	29,483
Cemeteries	14,250	14,250	12,950	1,300	11,700
Human rights commission	1,200	1,200	241	959	667
Rent Subsidy Program	343,190	343,190	338,391	4,799	322,889
	384,690	396,526	381,265	15,261	364,739

EMPLOYEE BENEFITS

State retirement	508,000	508,000	482,277	25,723	411,668
Social security	300,000	300,000	285,110	14,890	281,454
Workers' compensation benefits	53,000	53,000	45,628	7,372	51,880
Life insurance	10,000	10,000	9,977	23	9,901
Hospital and medical insurance	1,011,300	1,011,300	980,383	30,917	936,584
Disability insurance	5,200	5,200	5,216	(16)	5,087
Unemployment benefits	6,000	6,000	2,089	3,911	12,344
	1,893,500	1,893,500	1,810,680	82,820	1,708,918

DEBT SERVICE

Bond anticipation note	13,500	13,500	13,500	-	-
Interest					
	8,784,169	8,799,705	8,499,938	299,767	8,205,320

TOTAL EXPENDITURES

(Continued)

Town of Mamaroneck, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended December 31, 2012
 (With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	\$ 383,026	\$ 383,026	\$ 383,026	\$ -	\$ 499,733
Capital Projects Fund	30,000	30,000	30,000	-	132,096
TOTAL OTHER FINANCING USES	413,026	413,026	413,026	-	631,829
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 9,197,195	\$ 9,212,731	\$ 8,912,964	\$ 299,767	\$ 8,837,149

Town of Mamaroneck, New York

Town Outside Villages Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Demand deposits	\$ 1,382,226	\$ 617,683
Receivables		
Accounts	20,458	17,148
Due from other governments	407,359	415,952
	<u>427,817</u>	<u>433,100</u>
Prepaid expenditures	<u>371,318</u>	<u>394,787</u>
Total Assets	<u>\$ 2,181,361</u>	<u>\$ 1,445,570</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 181,613	\$ 167,485
Due to other funds	111,143	12,122
Total Liabilities	<u>292,756</u>	<u>179,607</u>
Fund balance		
Nonspendable	371,318	394,787
Assigned	1,517,287	871,176
Total Fund Balance	<u>1,888,605</u>	<u>1,265,963</u>
Total Liabilities and Fund Balance	<u>\$ 2,181,361</u>	<u>\$ 1,445,570</u>

Town of Mamaroneck, New York

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

	2012			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 8,859,723	\$ 8,859,723	\$ 8,829,978	\$ (29,745)
Non-property taxes	1,300,000	1,300,000	1,580,133	280,133
Departmental income	135,000	135,000	157,949	22,949
Licenses and permits	205,000	205,000	426,728	221,728
Fines and forfeitures	3,500	3,500	14,000	10,500
Sale of property and compensation for loss	-	-	15,139	15,139
State aid	2,000	2,000	3,852	1,852
Federal aid	1,500	1,500	11,555	10,055
Miscellaneous	3,000	3,000	113,012	110,012
Total Revenues	10,509,723	10,509,723	11,152,346	642,623
EXPENDITURES				
Current				
General government support	582,150	582,150	374,260	207,890
Public safety	5,208,890	5,208,890	5,473,530	(264,640)
Health	50,000	50,000	50,000	-
Transportation	22,100	22,100	7,775	14,325
Culture and recreation	1,157,150	1,157,150	1,151,689	5,461
Home and community services	172,925	191,625	177,911	13,714
Employee benefits	3,351,500	3,351,500	3,102,956	248,544
Total Expenditures	10,544,715	10,563,415	10,338,121	225,294
Excess (Deficiency) of Rev- enues Over Expenditures	(34,992)	(53,692)	814,225	867,917
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	121,036	121,036
Transfers out	(215,008)	(223,708)	(312,619)	(88,911)
Total Other Financing Uses	(215,008)	(223,708)	(191,583)	32,125
Net Change in Fund Balance	(250,000)	(277,400)	622,642	900,042
Fund Balance - Beginning of Year	250,000	277,400	1,265,963	988,563
Fund Balance - End of Year	\$ -	\$ -	\$ 1,888,605	\$ 1,888,605

2011

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,567,612	\$ 8,567,612	\$ 8,472,907	\$ (94,705)
1,275,000	1,275,000	1,558,059	283,059
138,500	138,500	151,980	13,480
187,000	187,000	325,388	138,388
2,500	2,500	11,815	9,315
-	-	444	444
2,500	2,500	-	(2,500)
1,500	1,500	1,564	64
-	-	26,066	26,066
<u>10,174,612</u>	<u>10,174,612</u>	<u>10,548,223</u>	<u>373,611</u>
497,700	497,700	405,371	92,329
5,144,966	5,144,966	5,493,626	(348,660)
50,000	50,000	50,000	-
26,800	26,800	6,529	20,271
1,120,055	1,120,055	1,115,757	4,298
174,650	174,650	155,294	19,356
<u>3,050,500</u>	<u>3,050,500</u>	<u>2,896,043</u>	<u>154,457</u>
<u>10,064,671</u>	<u>10,064,671</u>	<u>10,122,620</u>	<u>(57,949)</u>
<u>109,941</u>	<u>109,941</u>	<u>425,603</u>	<u>315,662</u>
-	-	139,649	139,649
<u>(327,182)</u>	<u>(339,182)</u>	<u>(243,409)</u>	<u>95,773</u>
<u>(327,182)</u>	<u>(339,182)</u>	<u>(103,760)</u>	<u>235,422</u>
(217,241)	(229,241)	321,843	551,084
<u>217,241</u>	<u>229,241</u>	<u>944,120</u>	<u>714,879</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,265,963</u>	<u>\$ 1,265,963</u>

Town of Mamaroneck, New York

Town Outside Villages Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended December 31, 2012
 (With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
REAL PROPERTY TAXES	\$ 8,859,723	\$ 8,859,723	\$ 8,829,978	\$ (29,745)	\$ 8,472,907
NON-PROPERTY TAXES	1,300,000	1,300,000	1,580,133	280,133	1,558,059
Non-property tax distribution from County					
DEPARTMENTAL INCOME					
Police fees	500	500	390	(110)	301
Zoning fees	5,000	5,000	6,555	1,555	3,500
Planning Board fees	2,000	2,000	4,435	2,435	1,400
Emergency tenants protection	3,000	3,000	2,640	(360)	2,650
Parking fees	99,500	99,500	118,122	18,622	113,431
Recreation fees	19,000	19,000	18,280	(720)	21,080
Transportation of prisoners	6,000	6,000	7,527	1,527	9,618
	135,000	135,000	157,949	22,949	151,980
LICENSES AND PERMITS					
Building permits	135,000	135,000	312,737	177,737	216,948
Alarm licenses	25,000	25,000	32,390	7,390	31,250
Other licenses	45,000	45,000	81,601	36,601	77,190
	205,000	205,000	426,728	221,728	325,388
FINES AND FORFEITURES					
False alarms	3,500	3,500	14,000	10,500	11,815

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Insurance recoveries	-	-	15,139	15,139	444
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STATE AID

Youth programs	2,000	2,000	-	(2,000)	-
Emergency management assistance	-	-	3,852	3,852	-

	2,000	2,000	3,852	1,852	-
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FEDERAL AID

Transportation	1,500	1,500	-	(1,500)	1,564
Emergency management assistance	-	-	11,555	11,555	-

	1,500	1,500	11,555	10,055	1,564
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MISCELLANEOUS

Medicare Part D reimbursements	-	-	29,676	29,676	23,824
Unclassified	3,000	3,000	83,336	80,336	2,242

	3,000	3,000	113,012	110,012	26,066
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TOTAL REVENUES	10,509,723	10,509,723	11,152,346	642,623	10,548,223
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OTHER FINANCING SOURCES

Transfers in	-	-	1,378	1,378	19,801
Capital Projects Fund	-	-	-	-	190
Special Purpose Fund	-	-	119,658	119,658	139,649
Tri-Municipal Cable T.V. Fund	-	-	-	-	-

	-	-	121,036	121,036	139,649
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TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 10,509,723	\$ 10,509,723	\$ 11,273,382	\$ 763,659	\$ 10,687,872
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Town of Mamaroneck, New York

Town Outside Villages Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended December 31, 2012
 (With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
GENERAL GOVERNMENT SUPPORT					
Central communications	\$ 33,000	\$ 33,000	\$ 30,088	\$ 2,912	\$ 35,595
Central services	148,000	148,000	153,631	(5,631)	145,440
Central data processing	38,150	38,150	36,361	1,789	37,146
Unallocated insurance	95,000	95,000	93,409	1,591	94,292
Judgments and claims	150,000	150,000	44,584	105,416	74,712
Metropolitan commuter transportation mobility tax	18,000	18,000	16,187	1,813	18,186
Contingency	100,000	100,000	-	100,000	-
	582,150	582,150	374,260	207,890	405,371
PUBLIC SAFETY					
Police	4,724,105	4,724,105	5,008,852	(284,747)	5,044,807
Public safety	24,000	24,000	26,082	(2,082)	24,877
Traffic control	78,375	78,375	63,210	15,165	58,432
Control of animals	20,000	20,000	16,222	3,778	19,994
Safety inspection	362,410	362,410	359,164	3,246	345,516
	5,208,890	5,208,890	5,473,530	(264,640)	5,493,626
HEALTH					
Narcotics Guidance Council	50,000	50,000	50,000	-	50,000
	22,100	22,100	7,775	14,325	6,529
TRANSPORTATION					
Off-street parking lots	43,650	43,650	38,170	5,480	40,354
CULTURE AND RECREATION					
Playgrounds and recreation	500	500	500	-	1,000
Youth programs	1,000	1,000	1,205	(205)	1,073
Joint youth advocate	1,110,000	1,110,000	1,110,000	-	1,071,200
Library	2,000	2,000	1,814	186	2,130
Celebrations	1,157,150	1,157,150	1,151,689	5,461	1,115,757

HOME AND COMMUNITY SERVICES

Board of Appeals	41,420	41,420	37,407	4,013	36,888
Planning Board	44,520	59,020	52,807	6,213	36,330
Environmental control	67,470	71,670	69,905	1,765	64,154
Emergency tenant protection	3,000	3,000	2,660	340	2,750
Architectural Review Board	15,090	15,090	15,089	1	14,726
Coastal zone	1,425	1,425	43	1,382	446
	<u>172,925</u>	<u>191,625</u>	<u>177,911</u>	<u>13,714</u>	<u>155,294</u>

EMPLOYEE BENEFITS

State retirement	100,000	100,000	94,952	5,048	81,377
Police retirement	1,101,000	1,101,000	1,022,643	78,357	842,165
Social security	400,000	400,000	367,455	32,545	371,027
Workers' compensation benefits	115,000	115,000	91,977	23,023	99,574
Life insurance	5,000	5,000	4,146	854	4,553
Hospital and medical insurance	1,613,000	1,613,000	1,509,397	103,603	1,483,789
Disability insurance	1,000	1,000	907	93	907
Unemployment benefits	16,500	16,500	11,479	5,021	12,651
	<u>3,351,500</u>	<u>3,351,500</u>	<u>3,102,956</u>	<u>248,544</u>	<u>2,896,043</u>
TOTAL EXPENDITURES	<u>10,544,715</u>	<u>10,563,415</u>	<u>10,338,121</u>	<u>225,294</u>	<u>10,122,620</u>

OTHER FINANCING USES

Transfers out					
General Fund	50,000	53,700	53,700	-	50,000
Debt Service Fund	125,008	125,008	125,008	-	122,182
Capital Projects Fund	40,000	45,000	133,911	(88,911)	71,227
TOTAL OTHER FINANCING USES	<u>215,008</u>	<u>223,708</u>	<u>312,619</u>	<u>(88,911)</u>	<u>243,409</u>

TOTAL EXPENDITURES AND OTHER FINANCING USES

\$	<u>10,759,723</u>	<u>\$</u>	<u>10,787,123</u>	<u>\$</u>	<u>10,650,740</u>	<u>\$</u>	<u>136,383</u>	<u>\$</u>	<u>10,366,029</u>
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Town of Mamaroneck, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Demand deposits	\$ 1,040,921	\$ 714,212
Petty cash	200	200
	<u>1,041,121</u>	<u>714,412</u>
Investments	<u>-</u>	<u>4,353</u>
Receivables		
Accounts	1,748	5,555
Due from other governments	7,395	-
State and Federal aid	-	26,949
Due from other funds	46,724	38,422
	<u>55,867</u>	<u>70,926</u>
Prepaid expenditures	<u>136,358</u>	<u>105,121</u>
Total Assets	<u>\$ 1,233,346</u>	<u>\$ 894,812</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 149,675	\$ 48,898
Fund balance		
Nonspendable	136,358	105,121
Assigned	947,313	740,793
Total Fund Balance	<u>1,083,671</u>	<u>845,914</u>
Total Liabilities and Fund Balance	<u>\$ 1,233,346</u>	<u>\$ 894,812</u>

Town of Mamaroneck, New York

Highway Fund

Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31, 2012 And 2011

	2012			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 4,137,281	\$ 4,137,281	\$ 4,123,391	\$ (13,890)
Departmental income	15,000	15,000	26,228	11,228
Intergovernmental charges	438,000	438,000	508,446	70,446
Use of money and property	200	200	210	10
Sale of property and compensation for loss	22,500	22,500	57,728	35,228
State aid	65,000	65,000	101,350	36,350
Federal aid	-	-	108,327	108,327
Miscellaneous	-	-	26,677	26,677
Total Revenues	4,677,981	4,677,981	4,952,357	274,376
EXPENDITURES				
Current				
Transportation	2,705,780	2,753,835	2,755,286	(1,451)
Employee benefits	1,181,700	1,181,700	1,118,881	62,819
Total Expenditures	3,887,480	3,935,535	3,874,167	61,368
Excess of Revenues Over Expenditures	790,501	742,446	1,078,190	335,744
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	309	309
Transfers out	(840,501)	(840,501)	(840,742)	(241)
Total Other Financing Uses	(840,501)	(840,501)	(840,433)	68
Net Change in Fund Balance	(50,000)	(98,055)	237,757	335,812
Fund Balance - Beginning of Year	50,000	98,055	845,914	747,859
Fund Balance - End of Year	\$ -	\$ -	\$ 1,083,671	\$ 1,083,671

2011			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,005,306	\$ 4,005,306	\$ 3,961,032	\$ (44,274)
10,000	10,000	31,209	21,209
359,000	359,000	482,916	123,916
200	200	301	101
22,500	22,500	53,667	31,167
65,000	65,000	69,106	4,106
-	-	23,099	23,099
-	-	21,287	21,287
<u>4,462,006</u>	<u>4,462,006</u>	<u>4,642,617</u>	<u>180,611</u>
2,588,005	2,588,005	2,794,010	(206,005)
<u>1,112,950</u>	<u>1,112,950</u>	<u>1,119,059</u>	<u>(6,109)</u>
<u>3,700,955</u>	<u>3,700,955</u>	<u>3,913,069</u>	<u>(212,114)</u>
<u>761,051</u>	<u>761,051</u>	<u>729,548</u>	<u>(31,503)</u>
-	-	66,129	66,129
<u>(776,051)</u>	<u>(816,051)</u>	<u>(876,648)</u>	<u>(60,597)</u>
<u>(776,051)</u>	<u>(816,051)</u>	<u>(810,519)</u>	<u>5,532</u>
(15,000)	(55,000)	(80,971)	(25,971)
<u>15,000</u>	<u>55,000</u>	<u>926,885</u>	<u>871,885</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 845,914</u>	<u>\$ 845,914</u>

Town of Mamaroneck, New York

Special Districts Fund
 Combining Balance Sheet - Sub Funds
 December 31, 2012
 (With Comparative Totals for 2011)

	Water District	Sewer District	Street Lighting District	Fire Protection District
ASSETS				
Cash - Demand deposits	\$ 10,022	\$ 83,055	\$ 3,976	\$ 487,656
Investments	1,460,835	-	-	-
Receivables				
Accounts	-	-	-	1,183
Due from other governments	-	-	-	-
Due from other funds	-	21	-	-
	-	21	-	1,183
Prepaid expenditures	1,650	1,650	1,650	101,198
Total Assets	<u>\$ 1,472,507</u>	<u>\$ 84,726</u>	<u>\$ 5,626</u>	<u>\$ 590,037</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 585	\$ 468	\$ 16,108	\$ 88,299
Due to other funds	-	-	10,000	3,454
Total Liabilities	585	468	26,108	91,753
Fund balances (deficits)				
Nonspendable	1,650	1,650	1,650	101,198
Assigned	1,470,272	82,608	(22,132)	397,086
Total Fund Balances (Deficits)	1,471,922	84,258	(20,482)	498,284
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,472,507</u>	<u>\$ 84,726</u>	<u>\$ 5,626</u>	<u>\$ 590,037</u>

Refuse and Garbage District	Ambulance District	Totals	
		2012	2011
\$ 110	\$ 277,892	\$ 862,711	\$ 909,708
-	-	1,460,835	1,120,949
-	-	1,183	1,530
-	31,891	31,891	1,186
663	-	684	-
663	31,891	33,758	2,716
13,124	54,198	173,470	160,960
<u>\$ 13,897</u>	<u>\$ 363,981</u>	<u>\$ 2,530,774</u>	<u>\$ 2,194,333</u>
\$ 13	\$ 66,981	\$ 172,454	\$ 141,368
31,250	1,860	46,564	91,487
31,263	68,841	219,018	232,855
13,124	54,198	173,470	160,960
(30,490)	240,942	2,138,286	1,800,518
(17,366)	295,140	2,311,756	1,961,478
<u>\$ 13,897</u>	<u>\$ 363,981</u>	<u>\$ 2,530,774</u>	<u>\$ 2,194,333</u>

Town of Mamaroneck, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Sub Funds
 Year Ended December 31, 2012
 (With Comparative Totals for 2011)

	Water District	Sewer District	Street Lighting District	Fire Protection District
REVENUES				
Real property taxes	\$ -	\$ 72,057	\$ 170,947	\$ 2,855,344
Departmental income	628,970	1,189	-	-
Intergovernmental charges	-	-	-	-
Use of money and property	2,557	-	-	97
Sale of property and compensation for loss	-	-	-	4,402
State aid	-	-	-	1,656
Federal aid	-	-	-	4,969
Miscellaneous	-	-	858	22,766
Total Revenues	631,527	73,246	171,805	2,889,234
EXPENDITURES				
Current				
Public safety	-	-	-	1,677,426
Health	-	-	-	-
Transportation	-	-	227,617	-
Home and community services	83,871	18,409	-	-
Employee benefits	-	-	-	946,192
Debt service	-	-	-	-
Interest	-	-	-	9,450
Total Expenditures	83,871	18,409	227,617	2,633,068
Excess (Deficiency) of Revenues Over Expenditures	547,656	54,837	(55,812)	256,166
OTHER FINANCING SOURCES (USES)				
Transfers in	-	21	-	-
Transfers out	(241,633)	(44,913)	-	(141,520)
Total Other Financing Uses	(241,633)	(44,892)	-	(141,520)
Net Change in Fund Balances	306,023	9,945	(55,812)	114,646
Fund Balances (Deficits) - Beginning of Year	1,165,899	74,313	35,330	383,638
Fund Balances (Deficits) - End of Year	<u>\$ 1,471,922</u>	<u>\$ 84,258</u>	<u>\$ (20,482)</u>	<u>\$ 498,284</u>

Refuse and Garbage District	Ambulance District	Totals	
		2012	2011
\$ 1,837,565	\$ 263,444	\$ 5,199,357	\$ 4,999,700
-	839,362	1,469,521	1,274,116
-	54,669	54,669	58,992
-	100	2,754	3,287
1,041	1,055	6,498	6,994
-	1,109	2,765	-
-	3,328	8,297	-
-	957	24,581	12,211
<u>1,838,606</u>	<u>1,164,024</u>	<u>6,768,442</u>	<u>6,355,300</u>
-	-	1,677,426	1,791,390
-	1,024,027	1,024,027	1,011,374
-	-	227,617	185,468
1,683,877	-	1,786,157	1,829,453
929	206,347	1,153,468	1,107,687
1,710	-	11,160	-
<u>1,686,516</u>	<u>1,230,374</u>	<u>5,879,855</u>	<u>5,925,372</u>
<u>152,090</u>	<u>(66,350)</u>	<u>888,587</u>	<u>429,928</u>
663	-	684	-
<u>(97,270)</u>	<u>(13,657)</u>	<u>(538,993)</u>	<u>(471,825)</u>
<u>(96,607)</u>	<u>(13,657)</u>	<u>(538,309)</u>	<u>(471,825)</u>
55,483	(80,007)	350,278	(41,897)
<u>(72,849)</u>	<u>375,147</u>	<u>1,961,478</u>	<u>2,003,375</u>
<u>\$ (17,366)</u>	<u>\$ 295,140</u>	<u>\$ 2,311,756</u>	<u>\$ 1,961,478</u>

Town of Mamaroneck, New York

Section 8 Housing Assistance Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Demand deposits	\$ 1,357,992	\$ 2,235,234
Time deposits	<u>138,208</u>	<u>138,139</u>
Total Assets	<u>\$ 1,496,200</u>	<u>\$ 2,373,373</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 43,090	\$ 44,331
Due to other funds	<u>2,400</u>	<u>44,384</u>
Total Liabilities	45,490	88,715
Fund Balance - Assigned	<u>1,450,710</u>	<u>2,284,658</u>
Total Liabilities and Fund Balance	<u>\$ 1,496,200</u>	<u>\$ 2,373,373</u>

Town of Mamaroneck, New York

Section 8 Housing Assistance Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years Ended December 31,

	<u>2012</u>	<u>2011</u>
REVENUES		
Use of money and property	\$ 3,229	\$ 5,765
Federal aid	5,732,613	6,908,746
Miscellaneous	<u>77,178</u>	<u>113,914</u>
Total Revenues	5,813,020	7,028,425
EXPENDITURES		
Current		
Economic opportunity and development	<u>6,646,968</u>	<u>6,770,392</u>
Excess (Deficiency) of Revenues Over Expenditures	(833,948)	258,033
OTHER FINANCING USES		
Transfers out	<u>-</u>	<u>(10,606)</u>
Net Change in Fund Balance	(833,948)	247,427
Fund Balance - Beginning of Year	<u>2,284,658</u>	<u>2,037,231</u>
Fund Balance - End of Year	<u>\$ 1,450,710</u>	<u>\$ 2,284,658</u>

Town of Mamaroneck, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash - Demand deposits	\$ 2,994,638	\$ 2,103,734
Investments	-	1,594
Receivables		
Due from other governments	21,244	816,286
State and Federal aid	-	164,949
Due from other funds	87,533	4,194
	<u>108,777</u>	<u>985,429</u>
Total Assets	<u>\$ 3,103,415</u>	<u>\$ 3,090,757</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 283,801	\$ 85,145
Due to other funds	282,330	8,374
Retainages payable	66,723	141,636
Unearned revenues	27,271	39,087
Bond anticipation notes payable	4,465,000	2,740,000
	<u>5,125,125</u>	<u>3,014,242</u>
Total Liabilities		
Fund balance (deficit)		
Restricted	-	76,515
Unassigned	(2,021,710)	-
	<u>(2,021,710)</u>	<u>76,515</u>
Total Fund Balance (Deficit)		
	<u>\$ 3,103,415</u>	<u>\$ 3,090,757</u>
Total Liabilities and Fund Balance (Deficit)		

Town of Mamaroneck, New York

Capital Projects Fund

Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance

Years Ended December 31,

	<u>2012</u>	<u>2011</u>
REVENUES		
State aid	\$ 26,810	\$ -
Federal aid	-	243,068
Miscellaneous	<u>47,244</u>	<u>190,043</u>
Total Revenues	74,054	433,111
EXPENDITURES		
Capital outlay	<u>2,133,250</u>	<u>3,185,228</u>
Deficiency of Revenues Over Expenditures	<u>(2,059,196)</u>	<u>(2,752,117)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	244,152	406,900
Transfers out	<u>(283,181)</u>	<u>(352,298)</u>
Total Other Financing Sources (Uses)	<u>(39,029)</u>	<u>54,602</u>
Net Change in Fund Balance	(2,098,225)	(2,697,515)
Fund Balance - Beginning of Year	<u>76,515</u>	<u>2,774,030</u>
Fund Balance (Deficit) - End of Year	<u>\$ (2,021,710)</u>	<u>\$ 76,515</u>

Town of Mamaroneck, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project through December 31, 2012

PROJECT	Project Number	Project Budget	Expenditures and Transfers	Unexpended Balance
Pryer Manor Marsh	21-1	\$ 244,500	\$ 189,039	\$ 55,461
Police Headquarters Renovation	24-6	350,000	48,284	301,716
Construction of Water Plant	25-2	1,220,000	939,990	280,010
Geographic Information System	25-4	186,355	155,780	30,575
Justice Court Equipment	28-4	48,500	21,272	27,228
Drainage Improvements - Bonnie Way	29-9	205,000	3,428	201,572
Drainage Improvements - Cabot Road	29-10	102,000	1,001	100,999
Senior Center Improvements	29-14	450,000	448,846	1,154
Sanitation Vehicle	2010-09	190,000	187,575	2,425
Fire Apparatus	2010-11	1,050,000	1,026,258	23,742
Water District - Capital Improvements	2010-12	330,000	285,507	44,493
Roads, Sidewalks and Curbs	2011-04	673,000	663,241	9,759
Town Center Building Improvement	2011-14	131,530	34,061	97,469
Townwide Property Revaluation	2011-15	1,325,000	756,926	568,074
Mobile Radio Distribution Equipment	2011-16	36,000	33,244	2,756
EPA Illicit Discharge	2011-17	40,000	8,335	31,665
Highway Garage Vehicle and Equipment	2012-06	350,000	196,519	153,481
Sanitation Vehicle	2012-09	190,000	131,942	58,058
Water Capital Improvement	2012-12	492,400	332,362	160,038
Two-Way Radio Upgrade	2012-16	125,000	66,328	58,672
Fire Equipment	2012-18	15,000	14,994	6
Computer Software	2012-19	100,000	96,720	3,280
Computer Hardware and Equipment	2012-20	30,000	23,502	6,498
Administrative Vehicles	2012-21	55,000	29,049	25,951
Passenger Bus	2012-22	60,000	60,416	(416)
Sanitary Sewer Pump Station	2012-23	65,000	438	64,562
Ice Rink Improvements	2012-24	430,000	46,338	383,662
Pool Improvements	2012-25	50,000	36,990	13,010
Totals		<u>\$ 8,544,285</u>	<u>\$ 5,838,385</u>	<u>\$ 2,705,900</u>

Revenues and Transfers	Fund Balance (Deficit) at December 31, 2012	Bond Anticipation Notes Outstanding at December 31, 2012
\$ 189,039	\$ -	\$ -
350,000	301,716	-
1,220,000	280,010	-
186,355	30,575	-
21,272	-	-
205,000	201,572	-
102,000	100,999	-
380,000	(68,846)	70,000
-	(187,575)	190,000
-	(1,026,258)	1,050,000
330,000	44,493	-
663,241	-	-
1,530	(32,531)	130,000
25,000	(731,926)	1,300,000
33,244	-	-
40,000	31,665	-
-	(196,519)	350,000
-	(131,942)	190,000
-	(332,362)	325,000
-	(66,328)	125,000
14,994	-	-
40,000	(56,720)	60,000
15,000	(8,502)	15,000
-	(29,049)	55,000
-	(60,416)	60,000
-	(438)	65,000
-	(46,338)	430,000
-	(36,990)	50,000
<u>\$ 3,816,675</u>	<u>\$ (2,021,710)</u>	<u>\$ 4,465,000</u>

Town of Mamaroneck, New York

Non-Major Governmental Funds

Combining Balance Sheet

December 31, 2012

(With Comparative Totals for 2011)

	<u>Tri- Municipal Cable T.V.</u>	<u>Special Purpose</u>
ASSETS		
Cash		
Demand deposits	\$ 1,546,734	\$ -
Time deposits	-	233,836
Cash with fiscal agent	-	-
	<u>1,546,734</u>	<u>233,836</u>
Investments	-	-
Receivables		
Accounts	203,766	-
Due from other funds	-	-
	<u>203,766</u>	<u>-</u>
Total Assets	<u>\$ 1,750,500</u>	<u>\$ 233,836</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ -	\$ -
Bond interest and matured bonds payable	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Fund balances		
Restricted	-	233,836
Assigned	1,750,500	-
Total Fund Balances	<u>1,750,500</u>	<u>233,836</u>
Total Liabilities and Fund Balances	<u>\$ 1,750,500</u>	<u>\$ 233,836</u>

Debt Service	Total Non-Major Governmental Funds	
	2012	2011
\$ 672,923	\$ 2,219,657	\$ 2,253,914
-	233,836	173,239
10,490	10,490	10,490
<u>683,413</u>	<u>2,463,983</u>	<u>2,437,643</u>
-	-	890
-	203,766	197,793
279,503	279,503	802
<u>279,503</u>	<u>483,269</u>	<u>198,595</u>
<u>\$ 962,916</u>	<u>\$ 2,947,252</u>	<u>\$ 2,637,128</u>
\$ -	\$ -	\$ 43,022
10,490	10,490	10,490
<u>10,490</u>	<u>10,490</u>	<u>53,512</u>
702,426	936,262	828,114
250,000	2,000,500	1,755,502
<u>952,426</u>	<u>2,936,762</u>	<u>2,583,616</u>
<u>\$ 962,916</u>	<u>\$ 2,947,252</u>	<u>\$ 2,637,128</u>

Town of Mamaroneck, New York

Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Year Ended December 31, 2012
(With Comparative Totals for 2011)

	Tri- Municipal Cable T.V.	Special Purpose
REVENUES		
Departmental income	\$ 927,047	\$ -
Use of money and property	1,909	87
Miscellaneous	-	77,080
	<hr/>	<hr/>
Total Revenues	928,956	77,167
	<hr/>	<hr/>
EXPENDITURES		
Current		
General government support	814,300	-
Home and community services	-	4,734
Debt service		
Principal	-	-
Interest	-	-
	<hr/>	<hr/>
Total Expenditures	814,300	4,734
	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over Expenditures	114,656	72,433
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	-
Transfers out	(119,658)	(11,836)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(119,658)	(11,836)
	<hr/>	<hr/>
Net Change in Fund Balances	(5,002)	60,597
	<hr/>	<hr/>
Fund Balances - Beginning of Year	1,755,502	173,239
	<hr/>	<hr/>
Fund Balances - End of Year	\$ 1,750,500	\$ 233,836
	<hr/> <hr/>	<hr/> <hr/>

Debt Service	Total Non-Major Governmental Funds	
	2012	2011
\$ -	\$ 927,047	\$ 932,780
18,573	20,569	9,892
-	77,080	42,026
<u>18,573</u>	<u>1,024,696</u>	<u>984,698</u>
-	814,300	856,574
-	4,734	39,906
1,240,000	1,240,000	1,170,000
<u>527,526</u>	<u>527,526</u>	<u>569,524</u>
<u>1,767,526</u>	<u>2,586,560</u>	<u>2,636,004</u>
<u>(1,748,953)</u>	<u>(1,561,864)</u>	<u>(1,651,306)</u>
2,046,504	2,046,504	1,995,648
-	(131,494)	(135,342)
<u>2,046,504</u>	<u>1,915,010</u>	<u>1,860,306</u>
297,551	353,146	209,000
<u>654,875</u>	<u>2,583,616</u>	<u>2,374,616</u>
<u>\$ 952,426</u>	<u>\$ 2,936,762</u>	<u>\$ 2,583,616</u>

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Town of Mamaroneck, New York

Tri-Municipal Cable T.V. Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Demand deposits	\$ 1,546,734	\$ 1,600,731
Accounts receivable	<u>203,766</u>	<u>197,793</u>
Total Assets	<u>\$ 1,750,500</u>	<u>\$ 1,798,524</u>
 LIABILITIES AND FUND BALANCE		
Liabilities - Accounts payable	\$ -	\$ 43,022
Fund Balance		
Assigned	<u>1,750,500</u>	<u>1,755,502</u>
Total Liabilities and Fund Balance	<u>\$ 1,750,500</u>	<u>\$ 1,798,524</u>

Town of Mamaroneck, New York

Tri-Municipal Cable T.V. Fund
 Comparative Schedule of Revenues, Expenditures
 and Changes in Fund Balance - Budget and Actual
 Years Ended December 31,

	2012			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 551,700	\$ 551,700	\$ 927,047	\$ 375,347
Use of money and property	3,000	3,000	1,909	(1,091)
Total Revenues	554,700	554,700	928,956	374,256
EXPENDITURES				
Current				
General government support	785,042	785,042	814,300	(29,258)
Excess (Deficiency) of Revenues Over Expenditures	(230,342)	(230,342)	114,656	344,998
OTHER FINANCING USES				
Transfers out	(119,658)	(119,658)	(119,658)	-
Net Change in Fund Balance	(350,000)	(350,000)	(5,002)	344,998
Fund Balance - Beginning of Year	350,000	350,000	1,755,502	1,405,502
Fund Balance - End of Year	\$ -	\$ -	\$ 1,750,500	\$ 1,750,500

2011

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 549,700	\$ 549,700	\$ 932,780	\$ 383,080
5,000	5,000	3,290	(1,710)
554,700	554,700	936,070	381,370
785,042	785,042	856,574	(71,532)
(230,342)	(230,342)	79,496	309,838
(119,658)	(119,658)	(119,658)	-
(350,000)	(350,000)	(40,162)	309,838
350,000	350,000	1,795,664	1,445,664
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,755,502</u>	<u>\$ 1,755,502</u>

Town of Mamaroneck, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Time deposits	<u>\$ 233,836</u>	<u>\$ 173,239</u>
FUND BALANCE		
Restricted	<u>\$ 233,836</u>	<u>\$ 173,239</u>

Town of Mamaroneck, New York

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

	<u>2012</u>	<u>2011</u>
REVENUES		
Use of money and property	\$ 87	\$ 134
Miscellaneous	<u>77,080</u>	<u>42,026</u>
Total Revenues	77,167	42,160
EXPENDITURES		
Current		
Home and community services	<u>4,734</u>	<u>39,906</u>
Excess of Revenues Over Expenditures	72,433	2,254
OTHER FINANCING USES		
Transfers out	<u>(11,836)</u>	<u>(15,684)</u>
Net Change in Fund Balance	60,597	(13,430)
Fund Balance - Beginning of Year	<u>173,239</u>	<u>186,669</u>
Fund Balance - End of Year	<u>\$ 233,836</u>	<u>\$ 173,239</u>

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Town of Mamaroneck, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash		
Demand deposits	\$ 672,923	\$ 653,183
Cash with fiscal agent	<u>10,490</u>	<u>10,490</u>
	683,413	663,673
Investments	-	890
Due from other funds	<u>279,503</u>	<u>802</u>
Total Assets	<u>\$ 962,916</u>	<u>\$ 665,365</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Bond interest and matured bonds payable	<u>\$ 10,490</u>	<u>\$ 10,490</u>
Fund balance		
Restricted	702,426	654,875
Assigned	<u>250,000</u>	<u>-</u>
Total Fund Balance	<u>952,426</u>	<u>654,875</u>
Total Liabilities and Fund Balance	<u>\$ 962,916</u>	<u>\$ 665,365</u>

Town of Mamaroneck, New York

Debt Service Fund
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Years Ended December 31,

	2012			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 18,573	\$ 18,573
EXPENDITURES				
Debt service				
Serial bonds				
Principal	1,240,000	1,240,000	1,240,000	-
Interest	527,528	527,528	527,526	2
Total Expenditures	1,767,528	1,767,528	1,767,526	2
Deficiency of Revenues Over Expenditures	(1,767,528)	(1,767,528)	(1,748,953)	18,575
OTHER FINANCING SOURCES				
Transfers in	1,767,528	1,767,528	2,046,504	278,976
Net Change in Fund Balance	-	-	297,551	297,551
Fund Balance - Beginning of Year	-	-	654,875	654,875
Fund Balance - End of Year	\$ -	\$ -	\$ 952,426	\$ 952,426

2011			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 6,468	\$ 6,468
1,170,001	1,170,001	1,170,000	1
572,936	572,936	569,524	3,412
1,742,937	1,742,937	1,739,524	3,413
(1,742,937)	(1,742,937)	(1,733,056)	9,881
1,742,937	1,742,937	1,995,648	252,711
-	-	262,592	262,592
-	-	392,283	392,283
\$ -	\$ -	\$ 654,875	\$ 654,875

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**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Mamaroneck, New York ("Town") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 28, 2013. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

O'CONNOR DAVIES, LLP

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of the Town in a separate letter.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
March 28, 2013

**Report on Compliance For Each Major Federal Program and on
Internal Control Over Compliance****Independent Auditor's Report****The Honorable Supervisor and the Town Board
of the Town of Mamaroneck, New York****Report on Compliance for Each Major Federal Program**

We have audited the Town of Mamaroneck, New York's ("Town") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2012. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
March 28, 2013

Town of Mamaroneck, New York

Schedule of Expenditures of Federal Awards
Year Ending December 31, 2012

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>		
Direct Program		
Section 8 Housing Choice Vouchers	14.871	\$ <u>6,646,968</u>
<u>U.S. Department of Health and Human Services</u>		
Indirect Programs - Passed through County of Westchester		
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	9,855
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	<u>89,196</u>
Total U.S. Department of Health and Human Services		<u>99,051</u>
<u>U.S. Department of Homeland Security</u>		
Indirect Programs Passed Through New York State Emergency Management Office Disaster Grants - Public Assistance - (Presidentially Declared Disasters)		
	97.036	<u>129,036</u>
Total Expenditures		<u>\$ 6,875,055</u>

(1) Catalog of Federal Domestic Assistance Number

Town of Mamaroneck, New York

Notes to Schedule of Expenditures of Federal Awards
December 31, 2012

NOTE A - SUMMARY OF ACCOUNTING POLICIES

1. *General*

The accompanying Schedule of Expenditures of Federal Awards presents all activity of all federal awards programs for the year ended December 31, 2012. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule.

2. *Basis of Accounting*

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

3. *Relationship to Financial Statements*

The fund financial statements are presented using the modified accrual basis of accounting.

Town of Mamaroneck, New York

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2012

None

Town of Mamaroneck, New York

Schedule of Findings and Questioned Costs
Year Ended December 31, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified ? Yes None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers
97.036	Disaster Grants – Public Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
Auditee qualified as low-risk auditee? Yes No

Town of Mamaroneck, New York

Schedule of Findings and Questioned Costs (Concluded)
Year Ended December 31, 2012

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

