STATEMENT

OF

ANNUAL FINANCIAL AND OPERATING INFORMATION FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

TOWN OF NEW WINDSOR

ORANGE COUNTY, NEW YORK

DATED: JUNE 19, 2015

TOWN OF NEW WINDSOR
ORANGE COUNTY, NEW YORK

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Alice Biasotti
Eric Lundstrom
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STATEMENT OF ANNUAL FINANCIAL AND OPERATING INFORMATION

TOWN OF NEW WINDSOR ORANGE COUNTY, NEW YORK

The material set forth herein, including the cover page, has been prepared by the Town of New Windsor, Orange County, New York (the "Town", the "County" and the "State", respectively) in connection with its obligation to prepare and submit such material in accordance with the Continuing Disclosure Undertakings and the Official Statements having been prepared in connection with the sale and issuance of the following outstanding bond issues.

$3,000,000 Water Improvement Serial Bonds - 1996
$4,000,000 Various Purposes Serial Bonds - 1998
$6,300,000 Public Improvement Serial Bonds - 2001
$3,920,000 Public Improvement Serial Bonds - 2004

TOWN OF NEW WINDSOR

There follows in this Statement a brief description of the Town, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and expenditures and general and specific funds.

Description

The Town, with a land area of approximately 36 square miles and a population of approximately 25,228 is located in east central Orange County, immediately south of the City of Newburgh on the west bank of the Hudson River about 60 miles north of New York City. The Town is primarily a suburban residential area with commercial and industrial operations and some agriculture, the latter principally in the western portion of the Town.

Commercial facilities consist of small shopping centers and strip malls, variously including chain food stores, specialty stores, chain and non-chain retail stores, movie theater, restaurants, etc., typically found in communities. Bank branches of national, regional and local banks are located within the Town.

Residential development consist primarily of single family homes, condominiums and garden apartment complexes. Residents are employed in commercial, non-commercial, professional, government businesses and industries, located in Town, neighboring and surrounding communities. In addition, a significant number of residents commute to New York City and the metro area by car, bus and commuter train services.

Stewart International Airport ("Airport") located principally within the Town is operated under two 99 year leases. One from the New York State Department of Transportation to the Port Authority of New York and New Jersey for the Airport and Airport aviation properties. The other lease from the Town to First Columbia Corporation, provides for the development of lands adjacent to the Airport into an office/industrial complex. In 2012, the majority of this land reverted back to the Town for development. In addition substantial infrastructure upgrades linking the Airport to the New York State Thruway and Interstate 84 have been completed.

Electric and gas utilities service for the Town is provided by Central Hudson Gas & Electric Corp. Water service is provided by the Town's municipal water system primarily by the New York State Department of Environmental Protection Catskill Aqueduct. Sewer service and garbage collection is also provided by the Town's municipal services. Police protection is provided by the Town's police force consisting of approximately 40 full-time officers, plus staff. Fire protection is provided by the Town's three independent volunteer fire districts. Emergency medical services are provided by the Town's volunteer ambulance service district.

Rail transportation is provided by the Conrail and Metro North railroads. The New York State Thruway and Interstate Route 84 traverse the Town, with access via the Newburgh exits, just north of New Windsor. Other highways are U.S. Highway 9W, New York State Highways Routes 32, 94 and 207.

Government

The Town was established in 1763. Four independently governed school districts are located partially within the Town which rely on their own taxing powers granted by the State to raise revenues. The school districts use the Town's assessment roll as their basis for taxation of property located within the Town.

Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws applicable to the Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may from time to time adopt local laws.

The legislative power of the Town is vested in the Town Board, which consists of five members, including the Supervisor, who is the chief executive officer of the Town, elected for a term of two years. The four other members of the Town Board are elected to four-year terms, which terms are staggered such that two council members are elected every two years. All the Town Board members are elected at large and there is no limitation to the number of terms each may serve.

Additional Town officers are the Town Clerk (elected at large for a four year term), the Receiver of Taxes, who is responsible for the collection of taxes (elected at large for a four year term), the Superintendent of Highways (elected at large for a two year term), and the Assessor, the Town Attorney and the Comptroller, all of whom are appointed by the Town Board. Professional services for engineering, operation and maintenance of the Town's water and sewer systems are by annual appointment by the Town Board or by longer term contracts. Other professional services are retained by the Town Board as necessary or required.

Financial Organization

The Supervisor is the chief fiscal officer of the Town. The Comptroller is the accounting officer of the Town, and his duties include administration, direction and control of budget and insurance, accounts payable and receivables and payroll. The Comptroller is also responsible for drafting and preparing the budget and securing and administering State and Federal grants.

Employees

The Town provides services through approximately 123 full-time employees, 39 regular part-time, and 60 seasonal (summer) employees of whom the following full-time employees are represented by organized labor.

Name of Union	Approximate Membership	Date Contract Expires
Civil Service Employees Association	69	12-31-15
Patrolmen's Benevolent Association	40	12-31-15

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Characteristics

The Town is located in Orange County, New York, approximately 60 miles north of New York City along the westside of the Hudson River. It is within a few miles to Interstate 84, the New York State Thruway and Stewart International Airport. The Town is primarily a suburban residential community comprising approximately 36 square miles.

Year	Town*	Orange County	New York State	United States
2010	25,244	372,813	19,378,102	308,745,538
2011	25,292	374,228	19,521,745	311,721,632
2012	25,414	373,936	19,607,140	314,112,078
2013	25,640	374,926	19,695,680	316,497,531
2014	N/A	376,099	19,746,227	318,857,056

Source: U.S.Census Bureau, 2010 Census and Annual Estimates of the Resident Population.
*Source of Town of New Windsor estimates American Community Survey 5-year Estimates.

Income Data

	Median Family Income			
	1990	2000	2010	2013[a]
Town	$44,863	$59,207	$86,375	$86,842
County	44,039	60,355	82,480	85,100
State	39,741	51,691	67,405	70,670
United States	-	50,046	62,982	64,719

	Per Capita Income			
	1990	2000	2010	2013[a]
Town	$15,843	$22,806	$31,652	$32,098
County	15,198	21,597	28,944	30,583
State	16,501	23,389	30,948	32,382
United States	14,420	30,634	27,334	28,155

Source: United States Bureau of the Census
a. Note: Based on American Community Survey 5-Year Estimates (2009-2013)

Summary of Building Activity
(Number of Building Permits Issued)

	Residential				
	Single Family	Apt. Complexes	Misc.	Comm. & Ind.	Total
2010	30	0	498	168	696
2011	92	0	464	164	720
2012	76	0	584	163	823
2013	83	1	538	223	845
2014	53	5	650	173	881

Source: Town of New Windsor, Office of the Building and Zoning Inspector.

Selected Listing of Large Taxable Properties

Name	Type	Approx. No Employees
Verla International LTD	Manufacturing-Cosmetics	445
Precision Pipeline Solution	Service-Utility Infrastructure Svc.	350
Knapp Consultants Inc.	Svc.-Recruiting & Human Resources	215
Coca-Cola Bottling Co. of New York, Inc.	Distribution – Beverages	200
LSI Lighting Solutions	Manufacturing – Lighting Fixtures	200
Metal Container Corp.	Manufacturing – Aluminum Cans	150
West Point Tours	Transportation-Buses, Charters & Rentals	150
Central Hudson Gas & Electric	Utilities/Energy – Provider	125
Production Resource Group LLC	Mfg. – Scenic & Theatrical Settings	125
Gallagher Transportation	Transportation - Bus Lines/Truck Sales, Leasing and Services	120

Source: Orange County Partnership

Unemployment Rate Statistics

Unemployment statistics are available for the Town as set forth below. The information set forth below with respect to the County and the State is included for information purposes only. It should not be implied from the inclusion of such data in this Statement that the Town is necessarily representative of the County or the State or vice versa.

Annual Averages	Town of New Windsor	Orange County	New York State
2010	8.2%	8.0%	8.6%
2011	7.9	7.7	8.2
2012	8.1	7.9	8.3
2013	7.1	6.8	7.7
2014	5.7	5.5	6.3
2015 (3 Month Average)	5.2	5.3	6.2

Source: Department of Labor, State of New York

INDEBTEDNESS OF THE TOWN

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of June 19, 2015)

Fiscal Year Ending December 31	Assessed Valuation	State Equalization Rate	Full Valuation
2011	$380,035,220	17.31%	$2,195,466,320
2012	378,461,937	17.47	2,166,353,389
2013	376,250,837	18.21	2,066,177,029
2014	378,413,586	19.28	1,962,726,068
2015	382,339,564	18.59	2,056,694,804
Total Five Year Full Valuation			$10,447,417,610
Average Five Year Full Valuation			2,089,483,522
Debt Limit - 7% of Average Full Valuation			146,263,847
Inclusions:			
Outstanding Bonds:			
General Town Purposes			$2,602,200
Non-Excluded Sewer			1,093,200
Water Bonds			1,362,750
Sub-Total			5,058,150
Bond Anticipation Notes			7,650,000
Total Inclusions			12,708,150
Exclusions:			
Water Debt			5,792,750
Appropriations			669,950
Total Exclusions			6,462,700
Total Net Indebtedness[a]			6,245,450
Net Debt Contracting Margin			$140,018,397

a. Represents 4.27% of Debt Limit.

Debt Service Requirements - Outstanding Bonds

Fiscal Year Ending December 31:	Principal	Interest	Total
2015	$1,075,588	$232,492	$1,308,080
2016	1,075,721	184,110	1,259,831
2017	900,854	140,160	1,041,014
2018	830,987	100,800	931,787
2019	600,000	63,863	663,863
2020	375,000	37,500	412,500
2021	375,000	18,750	393,750
	$5,233,150	$777,675	$6,010,825

Details of Short-Term Indebtedness Outstanding

As a result of the extraordinary and unanticipated expenses sustained by the Town due to Hurricane Irene, the Town Board on February 1, 2012 approved the issuance of up to $1,692,000 of bonds for sewer fund infrastructure improvements and costs; as well as up to $578,000 for water infrastructure improvements and costs. On May 3, 2012, under the February 1, 2012 board approval, the Town issued an EFC Hurricane Emergency Loan Program (HELP) Bond Anticipation Note – 2012A (Hurricane BAN) for $1,000,000. Proceeds from the Hurricane BAN were used to reimburse the Town's Sewer Fund in the amount of $425,000 and $575,000 to the Water Fund for a portion of its costs incurred due to the Hurricane Irene disaster.

On January 11, 2012, the Town Board approved an "intent to bond" resolution for the Water Improvement Project. This project consists of drilling of wells, construction of a delivery system and reimbursement of exploratory expenditures. On November 7, 2012, the Town adopted a bond resolution for the St. Anne's Well portion of the Water Improvement Project; under which a $600,000 Note was issued on January 15, 2013. On August 7, 2013, The Town Board adopted a bond resolution authorizing the issuance of $500,000 bonds to finance the preparation of surveys, preliminary and detailed plans necessary for planning the proposed increase and improvement of water district facilities. On July 2, 2014, October 1, 2014 and November 5, 2014, the Town adopted bond resolutions for additional portions of the Water Improvement Project (including the Plum Point Wells, the Butter Hill Wells and the Kroll Well sites) under which $3,650,000 in Notes were issued on December 30, 2014. A long-term bonding amount, for the entire Water Improvement Project, has not been finalized but is expected to be approximately $12.6 million.

On October 3, 2012, the Town Board adopted a bond resolution for the renovation of the Town's highway garage facility. A Note in the amount of $700,000 was issued on April 4, 2013. The Note proceeds were used to finance the costs of renovating the garage facility located at 196 Perimeter Road to function as the new location for the Town of New Windsor Highway Garage. This facility now functions as the area to store, maintain and repair the Town's highway and garbage vehicles and equipment, as well as the location for administrative offices for the highway and garbage departments.

On July 16, 2014 and October 1, 2014, the Town adopted bond resolutions for the increase and improvement of facilities of Sewer Districts 1-24 for the replacement for the sewage sludge belt filter press as well as the rehabilitation of the influent structure at the Town's Sewer Treatment Plant. Under this resolution, the Town issued a Note on December 30, 2014 for the rehabilitation of the influent structure in the amount of $1 million.

On July 2, 2014, the Town Board adopted a bond resolution for the FEMA Butternut Drive and adjacent embankment restoration project; under which a $1,750,000 Note was issued on January 15, 2015. This is a FEMA approved project resulting from Hurricane Irene Disaster #4020. The Town has been approved to be reimbursed through federal and state FEMA grant funding upon project completion in an amount sufficient to redeem the Note.

Following is a schedule of outstanding Note issuances as of 6/19/15:

Original Date Issued	Purpose	Original Note Amount Issued	Note Issue Amount Outstanding As Of 6/19/15	Status
03/15/12	Sewer Inf rastructure Improvements & Costs – EFC HELP	$ 425,000	$ 170,000	Pay Down Over 5 Years through 2017
03/15/12	Water Infrastructure Improvements & Costs – EFC HELP	575,000	230,000	Pay Down Over 5 Years through 2017
01/15/13	Water Improvement Project – St. Anne's Well	600,000	550,000	Rollover to Long Term Bond in 2016 (Est.)
04/04/13	Highway Garage Renovation Project	700,000	300,000	Pay Down Over 5 Years Through 2018
12/30/14	Water Improvement Project	3,650,000	3,650,000	Rollover to Long Term Bond in 2016 (Est.)
12/30/14	STP Improvement Project	1,000,000	1,000,000	Rollover to Long Term Bond in 2016 (Est.)
01/15/15	FEMA Butternut Drive Project	1,750,000	1,750,000	Pay off at 1 year Maturity 1-15-16 with FEMA Grant Reimbursement Proceeds
	Total Outstanding Note Issuances		$7,650,000	

Anticipated Future Borrowings

The Town has no formal capital program. The Town has an infrastructure committee consisting of the Town Supervisor, the Town Attorney, the Engineer for the Town, the Operating Engineer for the Town's sewer and water facilities, the Town's Planning Board Chairman, and several others. The committee meets on a regular basis to review current plans, the status of current construction projects and the planning for future infrastructure needs.

In addition to various existing or planned capital projects, the Town has been researching the establishment of an independent source of water for the residents of the Town (Water Improvement Project) as well as the expansion and improvement of its existing sewer treatment plant or the construction of a new sewer treatment plant (STP Improvement Project). The Town has existing bond authorizations for such projects as well as short term note issuances outstanding. It is the Town's intention to rollover the outstanding short term note issuances to long term bonds.

The following is a schedule of anticipated borrowings, as of June 19, 2015:

Type	Purpose	Amt	Status
Long-Term Bond	Water Improvement Project	$5.0 mil	Anticipated Dec 2016
Long-Term Bond	STP Improvement Project	$1.0 mil	Anticipated Dec 2016
Long-Term Bond	Water Improvement Project	$7.8 mil	Anticipated in 2016/2017

Authorized but Unissued Indebtedness

As of the date of this Statement, the Town has the following authorizations for borrowing which have not been funded:Authorized but Unissued

Date Authorized	Purpose	Amount Authorized	Amount Issued	Amount Unissued
02-01-12	Sewer Fund Infrastructure Improvements & Costs	$1,692,000	$425,000	$1,267,000
02-01-12	Water Infrastructure Improvements & Costs	578,000	575,000	3,000
10-03-12	Highway Garage Renovation	1,000,000	700,000	300,000
11-07-12	Water Improvement Project – St. Anne's Well	1,000,000	890,000	110,000
12-05-12	STP Improvements – Planning Bond	3,000,000	0	3,000,000
08-07-13	Consolidated Water District Improvements – Planning Bond	500,000	0	500,000
07-02-14	FEMA Hurricane Irene Disaster Project – Butternut Drive	2,500,000	1,750,000	750,000
07-16-14	STP Improvement Project – Belt Press	400,000	0	400,000
10-01-14	Water improvement Project – Butter Hill (Moodna) Wells	10,000,000	1,460,000	8,540,000
05-06-15	Replacement of Lake Road Bridge-Planning Bond	400,000	0	400,000
05-06-15	Relocation of WWTP Outfall-Planning Bond	750,000	0	750,000
06-03-15	Clarkview Drive Watermain Replacement Project	516,000	0	516,000
06-03-15	Lake Street and Express Drive Water Interconnect	3,702,000	0	3,702,000
	Total			$20,238,000

Trend of Outstanding Debt

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Debt Outstanding End of Year:					
Subject to Debt Limit:					
Bonds	$9,334,100	$7,732,650	$6,086,900	$4,391,150	$3,695,400
Bond Anticipation Notes	-	-	-	1,040,000	1,655,000
Capital Notes	-	-	-	-	-
Sub-Total	$9,334,100	$7,732,650	$6,086,900	$5,431,150	$5,350,400
Not Subject to Debt Limit:					
Bonds	$3,130,072	$2,736,466	$2,337,027	$1,937,455	$1,537,750
Bond Anticipation Notes	-	-	-	1,060,000	4,595,000
Capital Notes	-	-	-	-	-
Other Notes	-	-	-	-	-
Sub-Total	$ 3,130,072	$2,736,466	$2,337,027	$2,997,455	$ 6,132,,750
Total Debt Outstanding	$12,464,172	$10,469,116	$8,423,927	$8,428,605	$11,483,150

Calculation of Estimated Overlapping and Underlying Indebtedness

Overlapping Units	Date of Report	Percentage Applicable	Applicable Total Indebtedness	Applicable Net Indebtedness
County of Orange	07-16-13	6.52%	$16,866,914	$15,477,828
Newburgh City S.D.	12-31-12	35.04	37,387,680	37,387,680
Washingtonville C.S.D	12-05-12	16.70	3,910,305	1,168,499
Cornwall C.S.D	06-30-13	11.05	4,393,480	4,393,480
Valley C.S.D	06-30-12	0.46	95,151	95,151
Fire Districts (Est.)	12-31-12	Var.	0	0
Totals			$62,653,530	$58,522,638

Sources: Annual Reports of the respective units for the most recently completed fiscal year on file with the Office of the State Comptroller or more recently published Statements.

Debt Ratios
(As of June 19, 2015)

	Amount	Per Capita[a]	Percentage of Full Value[b]
Total Direct Debt	$12,708,150	$ 504	0.618%
Net Direct Debt	6,245,450	248	0.304
Total Direct & Applicable Total Overlapping Debt	75,361,680	2,987	3.664
Net Direct & Applicable Net Overlapping Debt	64,768,088	2,567	3.148

a. The estimated population of the Town is 25,228 according to the 2013 U.S. Census.
b. The full valuation of taxable real property in the Town for 2014-2015 is $2,056,694,804.

FINANCES OF THE TOWN

Financial Statements and Accounting Procedures

The Town maintains its financial records in accordance with the Uniform System of Accounts for Towns prescribed by the State Comptroller. The financial records of the Town are audited by independent accountants. The last such audit made available for public inspection covers the fiscal year ended December 31, 2014. A copy of such report is attached hereto as Appendix B. In addition, the financial affairs of the Town are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Town has complied with the requirements of various State and Federal statutes.

The Balance Sheets and Statements of Revenues, Expenditures and Changes in Fund Balances presented in Appendix A of this Statement are based on the audited Annual Financial Reports of the Town for the 2010-2014 fiscal years.

Fund Structure and Accounts

The Town utilizes fund accounting to record and report its various service activities. A fund represents both a legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

There are three basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) proprietary funds that account for operations of a commercial nature; and, (3) fiduciary funds that account for assets held in a trustee capacity.

The Town presently maintains the following governmental funds: General Funds, Capital Fund, Highway Fund, Water and Special Water Districts, Sewer and Special Sewer Districts and Non Major Funds (Garbage District Fund, and Ambulance District Fund). Fiduciary funds include Trust and Agency Funds. There are no proprietary funds.

Basis of Accounting

The Town's governmental funds are accounted for on a modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual - that is, when they become "measurable" and "available" to finance expenditures to the current period. Revenues are susceptible to accrual include real property taxes, intergovernmental revenues (State and Federal aid) and operating transfers.

Expenditures are generally recognized under the modified accrual basis of accounting that is when the related fund liability is incurred. Exceptions to this general rule are principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town's government-wide, proprietary, and fiduciary fund financial statements are accounted for on the accrual basis of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from other taxes are recorded when available. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Investment Policy

Pursuant to the statutes of the State of New York and its adopted Investment Policy, the Town is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts in, or certificates of deposit issued by a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipalities, school district, or district corporation, other than those notes issued by the Town; or (6) in the case of moneys held in certain reserve funds established by the Town pursuant to law, in obligations of the Town. Any investments made by the Town pursuant to law are required to be payable or redeemable at the option of the Town within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. These statutes also require that the Town's investments, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in custody of a bank or trust company in the State. All such investments held in the custody of a bank or trust company must be held pursuant to a written custodial agreement as that term is defined in the law.

Collateral is required for demand deposit, money market accounts and certificates of deposit not covered by Federal deposit insurance and the eligible securities utilized for such collateral must be held by a third party financial institution, pursuant to security and custodial agreements. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and its municipalities and school districts. In the case of collateralization, collateral shall preferably be delivered to a Custodial Bank with which the Town has entered into a Custodial Agreement or, in the absence of a third party Custodial Bank, collateral shall be transferred to a separate department of the bank with which the money is invested or, at a minimum allowable, collateral shall be transferred by book entry to an account reserving such collateral exclusively for the use of the Town. The market value of all collateral shall at all times equal or exceed the

principal amount of the investments to be protected. Collateral shall be monitored no less frequently than monthly and market value shall mean the bid or closing price as quoted in the Wall Street Journal or as quoted by another recognized pricing service.

Every effort shall be made to use the preferable method of collateralization as described above, that being a third-party custodial agreement. This custodial agreement shall be a written contract between the Town, the investment bank and the custodial bank. In the event however, that the investment bank meets all other criteria of safety and financial strength, and in the event that the investment bank's system of collateralization does not include a third-party bank, this absence of a third-party bank shall not preclude the use of that bank as an investment bank.

At the time independent auditors conduct the annual audit of the accounts and financial affairs of the Town, the independent auditor shall audit the investments of the Town for compliance with the provisions of these investment guidelines.

The Town Board of the Town shall review and amend if necessary the investment guidelines at least annually.

Budgetary Procedures

The Supervisor also serves as the Budget Officer of the Town and, with the assistance of the Town Comptroller, is responsible for the initial formulation of the budget to be presented to the Town Clerk by September 30th of each year. The Town Comptroller distributes budget estimate forms to all department heads early in August of each year and then conducts such financial analysis and review as is necessary to substantiate the budget requests. Upon completion of this review, but prior to September 30th, when the report must be filed with the Town Clerk, the entire Town Board reviews the tentative budget. This review continues as the Board prepares its preliminary budget for public hearing. The preliminary budget is presented on a departmental basis by object of expense indicating the proposed budget, year-to-date expenses of the current budget, the departmental request and the Town Comptroller's recommendation. The budgets for the sewer district, highway funds and special district funds are presented in the same manner.

By October 5th, the Town Clerk must present the tentative budget to the Town Board, which then prepares the preliminary budget prior to the mandatory public hearing required to be held no later than the first Thursday after the general election of each year. Five days prior to such public hearing, notice of such public hearing must be published. Final adoption of the preliminary budget must be accomplished on or before November 20th. The budget is not subject to referendum.

The Town Board may, during the course of the year, make changes in the appropriations and other modifications of the budget as it deems necessary in accordance with the Town Law.

Financial Operations

The Supervisor functions as the chief fiscal officer as provided in Section 2 of the Local Finance Law; in this role, the Supervisor is responsible for the Town's accounting and financial reporting activities, which are delegated to and carried out by the Town Comptroller. In addition, the Supervisor is also the Town's budget officer and must therefore prepare the annual tentative budget for submission to the Town Board. Budgetary control during the year is the responsibility of the Town Comptroller. Pursuant to Section 30 of the Local Finance Law, the Supervisor has been authorized to issue or renew certain specific types of notes. As required by law, the Supervisor must execute an authorizing certificate which then becomes a matter of public record.

The Town Board, as a whole, serves as the finance board of the Town and is responsible for authorizing, by resolution, all material financial transactions such as operating and capital budgets and bonded debt.

Town finances are operated primarily through the General and Highway Funds and to a lesser extent through garbage, ambulance, various water and various sewer debt service districts. All real property taxes and most of the other Town revenues are credited to these funds. Current operating expenditures are paid from these funds subject to available appropriations. The Town also has special water and sewer districts, which are accounted for within separate funds. The primary sources of income for these districts comes from special assessments levied against district properties at the same time real estate taxes are levied. Capital projects and equipment purchases are accounted for in special capital projects funds. The Town observes a calendar year (January 1 through December 31) for operating and reporting purposes.

Revenues

The Town receives most of its revenues from real property taxes and assessments. A summary of such revenues and other financing sources for the five most recently completed fiscal years may be found in the Statements of Revenues, Expenditures and Changes in Fund Balance in Appendix A hereto.

Real Property Taxes

See "Real Property Tax Information", herein.

State Aid

The Town receives financial assistance from the State. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in this year or future years, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

Based on the audited Financial Statements of the Town, the Town received approximately 5.48% of its total General Fund operating revenue from State aid in 2014. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and, in fact, the State has drastically reduced funding to municipalities and school districts in the last several years in order to balance its own budget.

Although the Town cannot predict at this time whether there will be any delays and/or reductions in State aid in the current year or in future fiscal years or whether there will be additional Federal Stimulus Act monies made available to pay State aid in future years, the Town may be able to mitigate the impact of any delays or reductions by reducing expenditures, increasing revenues, appropriating other available funds on hand, and/or by any combination of the foregoing.

The following table sets forth the percentage of the Town's General Fund revenue (excluding other financing sources) comprised of State aid for each of the fiscal years 2010 through 2014, inclusive and the budgeted amount for fiscal year 2015.

Year Ended December 31:	Total General Fund Town Revenue	State Aid	State Aid To Revenues (%)
2010	$13,109,673	$1,202,363	9.17%
2011	14,247,286	816,030	5.73
2012	14,486,220	1,128,883	7.79
2013	18,605,453	843,193	4.53
2014	15,256,590	837,170	5.48
2015 (Budgeted)	15,319,353	769,500	5.02

Expenditures

The major categories of expenditure for the Town are General Government Support, Public Safety, Transportation, Culture and Recreation, Employee Benefits and Debt Service. A summary of the expenditures for the five most recently completed fiscal years and the estimated expenditures for the current fiscal year may be found in Appendix A - Financial Information.

Employee Pension System

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") or the State and Local Police and Fire Retirement System ("PFRS" and together with ERS, the "Retirement System"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service, except for "Tier 6" employees, as discussed below, whose benefits vest after ten years or credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1, 2010 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, then Governor Paterson signed into law the creation of a new Tier 5, which is effective for new ERS employees hired on or after January 1, 2010. New ERS employees in Tier 5 contribute 3% of their salaries. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

Pension reform legislation changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with required payment until after the budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. Legislation also required a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

In addition, the pension payment date for all local governments was changed from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

On March 16, 2012, Governor Cuomo signed into law the new Tier 6 pension program, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

Due to significant capital market declines in the past, the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, the employer contribution rate for the State's Retirement System continues to be higher than the minimum contribution rate established in the past. The State calculates contribution amounts based upon a five-year rolling average. As a result, contribution rates are expected to remain higher than the minimum contribution rates set by past legislation. To mitigate the expected increases in the employer contribution rate, various forms of legislation has been enacted that would permit local governments to borrow a portion of their required payments from the State pension plan.

Most recently, in Spring 2013, the State and ERS approved a Stable Contribution Option ("SCO"), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage the spikes in Actuarially Required Contribution rates ("ARCs"). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount.

The primary purpose of the SCO plans is to reduce the volatility of future pensions ARC. However, although the pension contribution rates under this program would reduce near-term payments, it will require higher than normal contributions in later years. This Town has not participated in any of the amortization programs and does not intend to do so in the foreseeable future.

Contributions to the Retirement Systems

Fiscal Year Ending December 31	Employees Retirement System	Policemen's & Firemen's Retirement System	Total
2010	$ 350,018	$ 538,897	$ 888,915
2011	539,444	609,142	1,148,586
2012	699,029	766,128	1,465,157
2013	824,681	918,340	1,743,021
2014	1,044,717	1,118,710	2,163,427
2015	1,008,392	1,186,768	2,195,160

Other Post Employment Benefits

The Town provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. Accounting rules now require governmental entities, such as the Town, to account for post-retirement health care benefits as its accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") described below requires such accounting.

GASB 45 and OPEB. OPEB refers to "other post-employment benefits," meaning benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 45, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 45 requires municipalities and school districts to account for OPEB liabilities in the same manner as they already account for pension liabilities. It requires them to adopt the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. Unlike GASB Statement No. 27, which covers accounting for pensions, GASB 45 does not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") is determined for each municipality or school district. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality or school district contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town net OPEB obligation:

Annual OPEB Cost and Net OPEB Obligation

Annual required contribution (ARC)	$ 2,827,444
Interest on net OPEB obligation	268,990
Less: Adjustments to ARC	0
Annual OPEB cost (expense)	3,096,434
Less: Contributions made	(289,461)
Increase in net OPEB obligation	2,806,973
Net OPEB obligation-beginning of year	13,935,972
Net OPEB obligation-end of year	$16,742,945

Actuarial Valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the Town had decided to continue funding the expenditure on a pay-as-you-go basis.

REAL PROPERTY TAX INFORMATION

Real Property Taxes

The Town derives a significant portion of its annual revenue through a direct real property tax.

Tables presenting the tax levy, by purpose, collection performance and tax rates can be found in Appendix A.

The following table sets forth the percentage of the Town's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2010 through 2014 inclusive, and budgeted amounts for fiscal year 2015.

Fiscal Year Ending December 31:	Total General Fund Revenue	Real Property Taxes	Real Property Taxes to Revenues (%)
2010	$13,109,673	$5,328,637	40.65%
2011	14,247,286	6,243,970	43.83
2012	14,486,220	6,350,419	43.84
2013	18,605,453	6,664,936	35.82
2014	15,256,590	6,662,438	43.67
2015 (Budgeted)	15,319,353	7,049,523	46.02

Source: Audited financial statements 2010 through 2014 and adopted budgets for fiscal year 2015.

Tax Collection Procedure

Taxes are due January 1, payable without penalty to and including January 31. Penalties thereafter are imposed at an annual rate determined by the New York State Commissioner of Taxation and Finance. In April the tax roll is returned to the County and taxes are payable to the County Commissioner of Finance. The Town retains the total amount of Town, Highway, Special Districts, Fire Districts and delinquent water and sewer levies from the total collections and returns the balance plus the uncollected items to the County, which assumes responsibility and holds annual tax sales.

As far as the Town is concerned there are no uncollected taxes. Payment in full of all Town taxes is guaranteed by the County.

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the Laws of 2011 (the "Tax Levy Limit Law") on June 24, 2011, all the taxable real property within the Town had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Town and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Town for any fiscal year commencing on or after January 1, 2012, continuing through December 31, 2016 or later as provided in the Tax Levy Limit Law, without providing an exclusion for debt service on obligations issued by the Town. As a result, the power of the Town to levy real estate taxes on all the taxable real property within the Town, without limitation as to rate or amount, may or may not be subject to statutory limitations, according to the formulas set forth in Tax Levy Limit Law. The actual effect of the Tax Levy Limit Law would depend upon the interpretation of such law by a court of competent jurisdiction in the event of a legal challenge.

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

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Town, subject to certain exceptions. The Tax Levy Limit 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 Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, 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 Limit 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 it 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.

The Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation bonds or notes of the Town or such indebtedness incurred after the effective date of the Tax Levy Limit Law. As such, there can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating (i) Article VIII, Section 12 of the State Constitution for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) Article VIII, Section 10 of the State Constitution by effectively eliminating the exception for debt service to general real estate tax limitations, and (iii) Article VIII, Section 2 of the State Constitution by limiting the pledge of its faith and credit by a municipality or school district for the payment of debt service on obligations issued by such municipality or school district.

Real Property Tax Rebate

Chapter 59 of the Laws of 2014 ("Chapter 59"), a newly adopted State budget bill includes provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. Real property owners in school districts are eligible for this credit in the 2014 and 2015 taxable years of those property owners. Real property taxpayers in certain other municipal units of government are eligible for this credit in the 2015 and 2016 taxable years of those real property taxpayers. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction's compliance with the provisions of the Tax Levy Limitation Law. School districts budgets must comply in their 2014-2015 and 2015-2016 fiscal years. Other municipal units of government (such as the Town) must have their budgets in compliance for their 2015 and 2016 fiscal years. Such budgets must be within the tax cap limits set by the Tax Levy Law for the real property taxpayers to be eligible for this personal income tax credit. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

Eligible homeowners do not need to do anything to receive the credit. The Tax Department will review eligibility data and calculate the credit for all qualifying taxing jurisdictions. In the fall of each of the program's three years (2014, 2015, 2016), the department will mail eligible taxpayers a single check that will be the total of the credits for each jurisdiction that is in compliance.

Certain additional restrictions on the amount of the personal income tax credit are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax credit benefit to such real property taxpayers. The refundable personal income tax credit amount is increased in the second year if compliance occurs in both taxable years.

For the second taxable year (2016) of the program, the refundable personal income tax credit for real property taxpayers is additionally contingent upon adoption by the school district or municipal unit of a state approved "government efficiency plan" which demonstrates "three year savings and efficiencies (2017-2019) of at least one per cent per year (of the 2014 tax levy) from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities, school districts and independent special districts must provide certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the personal income tax credit.

While the provisions of Chapter 59 do not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Law. The implications of this for future tax levies and for operations and services of the Town are uncertain at this time.

Selected Listing of Large Taxable Properties
2015 Assessment Roll

Name	Type	Assessed Valuation
Central Hudson Gas & Electric	Utility	$12,251,810
NY State DEC	Taxable State Owned Lands	7,021,810
WVR Real Estate	Retail Shopping Center	4,442,000
First Columbia	Office & Manufacturing Park	4,106,300
Knox Village Associates	Apartment Complex	2,614,400
LSI-Lightron	Manufacturing	1,831,300
VGR Associates	Retail Shopping Center	1,544,450
4 Acres LLC	Retail Shopping Center	1,538,900
Scenic Properties LLC	Manufacturing	1,520,800
Squire Village Properties	Apartment-Condos	1,327,055
New Windsor Properties	Apartments	1,324,900
New Windsor Business Park	Office Buildings	1,274,650
Oakwood Terrace	Co-operative Apartments	1,200,000
Global Companies, LLC	Oil Tank Farm	1,035,900
HZ Development Partners	Warehouses & 3 Houses	1,016,200
		$44,050,475

a. Assessment Roll established in 2014 for levy and collection of taxes in 2015.
b. Represents 11.52% of the 2015 Taxable Assessed Valuation of the Town of $382,339,564.

LITIGATION

In common with other towns, the Town from time to time receives notices of claim and is party to litigation. In the opinion of the Town, after consultation with its attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Town has not asserted a substantial and adequate defense, nor which there is a reasonable likelihood that, if determined against the Town, would have an adverse material effect on the financial condition of the Town.

MUNICIPAL ADVISOR

Munistat Services, Inc. has assisted the Town as municipal advisor in certain matters with respect to the preparation of this statement.

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ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Town Comptroller, Town of New Windsor, Town Hall, 555 Union Avenue, New Windsor, New York 12553, telephone number 845/563-4623, or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, and New York 11776, telephone number-631/331-8888.

Any statements in this Statement involving matters of opinion or estimates, whether or not expressly so stated are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.

This Statement is submitted only in connection with the Town's "Undertaking to Provide Continuing Disclosure" pursuant to Rule 15c2-12 as promulgated by the Securities and Exchange Commission and may not be reproduced or used in whole or in part for any other purpose.

TOWN OF NEW WINDSOR, NEW YORK

By: s/s George A. Green
GEORGE A. GREEN
Supervisor and Chief Fiscal Officer

June 19, 2015

TOWN OF NEW WINDSOR

APPENDIX A

FINANCIAL INFORMATION

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Revenues:					
Real Property Taxes	$ 5,328,637	$ 6,243,970	$ 6,350,419	$ 6,664,936	$ 6,662,438
Real Property Tax Items	36,676	33,100	31,000	35,500	31,400
Non-Property Taxes	3,839,998	4,082,744	4,289,965	4,389,253	4,414,906
Departmental Income	995,975	867,716	688,279	876,931	871,277
Use of Money and Property	317,902	311,435	302,114	329,025	765,755
Licenses & Permits	21,114	159,606	113,059	274,533	130,418
Fines & Forfeitures	870,285	965,052	966,829	878,896	913,417
Sale of Property and Compensation forLoss	79,887	83,311	163,962	3,721,535	164,473
Miscellaneous	159,836	161,316	109,875	127,342	125,336
Interfund Revenues	257,000	523,006	341,835	464,309	340,000
State and Federal Aid	1,202,363	816,030	1,128,883	843,193	837,170
Total Revenues	13,109,673	14,247,286	14,486,220	18,605,453	15,256,590
Expenditures:					
General Government Support	3,013,755	3,168,481	3,335,268	3,817,100	3,884,758
Public Safety	5,398,766	5,190,277	5,290,571	5,551,792	5,724,645
Transportation	616,037	514,983	368,578	299,068	311,915
Economic Assistance			41,181	47,936	171,653
Culture and Recreation	633,349	573,306	584,105	431,034	520,888
Home and Community Services	435,768	227,312	232,019	346,599	337,332
Employee Benefits	3,065,712	3,248,802	3,506,443	4,049,718	4,258,619
Debt Service	125,392	154,101			
Total Expenditures	13,288,779	13,077,262	13,358,165	14,543,247	15,209,810
Excess (Deficit) Revenues Over Expenditures	(179,106)	1,170,024	1,128,055	4,062,206	46,780
Other Sources & Uses:					
Interfund Transfers In	426,091	107,000	620,116	350,691	417,730
Interfund Transfers Out	(655,795)	(465,389)	(840,631)	(1,556,559)	(457,494)
Total Other Sources & Uses	(229,704)	(358,389)	(220,515)	(1,205,868)	(39,764)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	(408,810)	811,635	907,540	2,856,338	7,016
Prior Period Adjustment					
Fund Balance Beginning of Year	1,185,622	776,812	1,588,447	2,495,987	5,352,324
Fund Balance End of Year	$ 776,812	$ 1,588,447	$ 2,495,987	$ 5,352,325	$ 5,359,340

Source: Audited Annual Financial Reports of the Town (2010-2014).

NOTE: This Schedule NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Highway Fund

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Revenues:					
Real Property Taxes	$ 3,033,130	$ 3,262,027	$ 3,476,103	$ 3,605,479	$ 3,611,095
Intergovernmental Charges	13,513	13,810	13,959	13,959	13,959
Use of Money and Property	12,375	9,022	7,343	6,569	4,082
Sale of Property & Compensation for Loss	50,594	21,760	44,119	42,617	36,239
Miscellaneous	45,290	5,420	61,677	5,680	13,826
Interfund Revenues	350,335	505,625	114,050	140,650	85,812
State Aid and Federal Aid	212,304	164,398	439,301	192,903	228,406
Total Revenues	3,717,541	3,982,062	4,156,552	4,007,857	3,993,419
Expenditures:					
Transportation	1,972,256	2,256,988	1,862,053	2,415,411	2,297,961
Employee Benefits	500,030	812,395	847,201	956,306	991,179
Debt Service	3,612	65,359			
Total Expenditures	2,475,898	3,134,742	2,709,254	3,371,717	3,289,140
Excess (Deficiency) of Revenues over Expenditures	1,241,643	847,320	1,447,298	636,140	704,279
Other Sources & Uses:					
Interfund Transfers In		9,600	14,632	270,411	78,544
Interfund Transfers Out	(852,745)	(848,870)	(923,154)	(1,543,939)	(719,890)
Total Other Sources & Uses	(852,745)	(839,270)	(908,522)	(1,273,528)	(641,346)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	388,898	8,050	538,776	(637,388)	62,933
Prior Period Adjustment					
Fund Balance Beginning of Year	525,616	914,514	922,564	1,461,340	823,951
Fund Balance End of Year	$ 914,514	$ 922,564	$ 1,461,340	$ 823,952	$ 886,884

Source: Audited Annual Financial Reports of the Town (2010-2014).

NOTE: This Schedule NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Sewer Fund

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Revenues:					
Real Property Taxes	$ 798,335	$ 653,935	$ 648,378	$ 221,273	$ 225,120
Real Property Tax Items	8,610	8,530			
Departmental Income	2,000,598	2,069,989	2,291,004	2,283,881	2,387,272
Intergovernmental Charges	52,654	53,249	55,777	84,469	58,009
Use of Money and Property	9,279	6,930	5,404	4,638	4,060
Miscellaneous	489	975	15,746	900	79,929
Sale of Property & Compensation for Loss			234,495	100,597	
State and Federal Aid			160,619	371,215	
Total Revenues	2,869,965	2,793,608	3,411,423	3,066,973	2,754,390
Expenditures:					
Home and Community Services	1,794,769	2,104,589	2,075,489	2,391,610	1,967,841
Debt Service	5,417	5,418			
Total Expenditures	1,800,186	2,110,007	2,075,489	2,391,610	1,967,841
Other Sources & Uses:					
Proceeds of Obligation			425,000		
Interfund Transfers In	109,776	106,783	109,591	106,337	106,284
Interfund Transfers Out	(1,045,168)	(921,304)	(950,806)	(611,960)	(1,331,639)
Total Other Sources & Uses	(935,392)	(814,521)	(416,215)	(505,623)	(1,225,355)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	134,387	(130,920)	919,719	169,740	(438,806)
Fund Balance Beginning of Year	2,785,389	2,919,776	2,788,856	3,708,575	3,878,314
Fund Balance End of Year	$ 2,919,776	$ 2,788,856	$ 3,708,575	$ 3,878,315	$ 3,439,508

Source: Audited Annual Financial Reports of the Town (2010-2014).

NOTE: This Schedule NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Water Fund

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Revenues:					
Real Property Taxes	$ 1,123,765	$ 1,122,747	$ 1,115,761	$ 1,217,160	$ 1,179,473
Departmental Income	3,647,135	4,543,280	5,010,363	5,398,646	5,796,650
Real Property Tax Items	8,446				
Non Property Tax Items		6,452			
Use of Money and Property	45,906	11,542	4,405	3,691	3,750
Sale of Property & Compensation for Loss		28,774	11,580	18,046	615
Miscellaneous	12,959	75,000	61,406	3,423	12,370
State and Federal Aid			103,489	72,669	
Total Revenues	4,838,211	5,787,795	6,307,004	6,713,635	6,992,858
Expenditures:					
General Government Support					7,327
Home and Community Services	3,421,248	5,357,981	4,413,868	4,389,385	4,474,304
Employee Benefits	375,747	390,342	399,919	418,399	457,708
Capital Outlay					
Debt Service	349,489	5,418			
Interfund Transfers					
Total Expenditures	4,146,484	5,753,741	4,813,787	4,807,784	4,939,339
Other Sources & Uses:					
Proceeds of Obligations			575,000		
Interfund Transfers In	1,237,947	1,264,769	1,215,793	756,715	1,270,705
Interfund Transfers Out	(2,141,899)	(2,156,225)	(2,537,267)	(1,585,509)	(2,397,727)
Total Other Sources & Uses	(903,952)	(891,456)	(746,474)	(828,794)	(1,127,022)
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other Uses	(212,225)	(857,402)	746,743	1,077,057	926,497
Prior Period Adjustment					
Fund Balance Beginning of Year	3,898,994	3,686,769	2,829,367	3,576,110	4,653,167
Fund Balance End of Year	$ 3,686,769	$ 2,829,367	$ 3,576,110	$ 4,653,167	$ 5,579,664

Source: Audited Annual Financial Reports of the Town (2010-2014).

NOTE: This Schedule NOT audited.

Statement of Revenues, Expenditures and Fund Balances
Refuse and Garbage District

	Fiscal Year Ending December 31:				
	2010	2011	2012	2013	2014
Revenues:					
Real Property Taxes	$ 1,876,422	$ 2,083,758	$ 2,141,576	$ 2,140,877	$ 2,140,633
Departmental Income	221,925	253,022	243,996	236,556	237,993
Use of Money and Property	7,046	4,783	4,235	3,714	2,785
Sale of Property & Compensation for Loss	12,265	18,231	3,440	122	3,000
Miscellaneous	3,200	2,651	5,941	1,555	1,789
State and Federal Aid			18,561		
Total Revenues	2,120,858	2,362,445	2,417,749	2,382,824	2,386,200
Expenditures:					
General Government Support					
Health	306,098	367,380	370,859	369,697	376,936
Home and Community Services	1,335,187	1,356,363	1,274,734	1,515,148	1,322,983
Employee Benefits	327,454	438,258	461,358	519,325	582,670
Debt Service	3,612	30,678			
Operating Transfers			30,677	135,195	147,529
Total Expenditures	1,972,351	2,192,679	2,137,628	2,539,365	2,430,118
Excess (Deficiency) of Revenues over Expenditures	148,507	169,766	280,121	(156,541)	(43,918)
Prior Period Adjustment					
Fund Balance Beginning of Year	501,320	649,827	819,593	1,099,714	943,171
Fund Balance End of Year	$ 649,827	$ 819,593	$ 1,099,714	$ 943,173	$ 899,253

Source: Audited Annual Financial Reports of the Town (2010-2014).

NOTE: This Schedule NOT audited.

Budget Summaries - Fiscal Year Ending December 31, 2014

	General	Highway	Sewer	Water	Refuse
Revenues:					
Real Property Taxes	$ 6,662,441	$ 3,611,093	$	$	$ 1,761,432
Real Property Tax Items	254,300				
Non-Property Taxes	4,338,000				
Departmental Income	724,800	14,000	2,340,118	5,374,837	
Use of Money and Property	523,800	7,500	5,000		6,000
Licenses & Permits	121,000				
Fines & Forfeitures	950,000				
Sale of Property & Compensation for Loss	56,000	28,800		11,000	1,000
Miscellaneous	13,100				235,000
Interfund Items	340,000	110,000		1,136,983	
State Aid	657,000	157,000			
Interfund Transfers	464,700	18,900	104,640		
Appropriated Fund Balance	300,000	0			100,000
Total Revenues	$ 15,405,141	$ 3,947,293	$ 2,449,758	$ 6,522,820	$ 2,103,432
Expenditures:					
General Government Support	$ 3,631,790	$	$	$	$
Public Safety	5,674,800				
Transportation	310,000	2,270,700			
Economic Assistance	43,900				
Culture and Recreation	508,300				
Home and Community Services	431,200		2,089,600	4,709,400	1,363,700
Employee Benefits	4,386,410	980,900		453,100	603,200
Debt Service	418,741	695,693	193,413	607,614	136,532
Interfund Transfers			166,745	752,706	
Total Expenditures	$ 15,405,141	$ 3,947,293	$ 2,449,758	$ 6,522,820	$ 2,103,432

Source: 2014 Budget Adopted by the Town Board.

Budget Summaries - Fiscal Year Ending December 31, 2015

	General	Highway	Sewer	Water	
Revenues:					
Real Property Taxes	$ 7,049,523	$ 3,684,915	$	$	$ 1,850,962
Real Property Tax Items	255,400				
Non-Property Taxes	4,195,900				
Departmental Income	803,830	14,000	2,487,200	5,984,579	
Use of Money and Property	531,000	5,600	4,000		3,300
Licenses & Permits	120,600				
Fines & Forfeitures	920,000				
Sale of Property & Compensation for Loss	56,000	24,000		11,200	1,000
Miscellaneous	101,600				240,500
Interfund Items	440,000	110,000		906,600	
State Aid	686,000	157,000			
Interfund Transfers	566,200	17,400	117,650		
Appropriated Fund Balance	380,000				
Total Revenues	$ 16,106,053	$ 4,012,915	$ 2,608,850	$ 6,902,379	$ 2,095,762
Expenditures:					
General Government Support	$ 3,651,795	$	$	$	$
Public Safety	5,885,466				
Transportation	329,100	2,262,940			
Economic Assistance	53,600				
Culture and Recreation	542,200				
Home and Community Services	564,400		2,207,800	5,198,400	1,437,600
Employee Benefits	4,659,730	1,144,211		464,886	613,725
Debt Service	419,762	605,764	207,650	336,541	44,437
Interfund Transfers			193,400	902,552	
Total Expenditures	$ 16,106,053	$ 4,012,915	$ 2,608,850	$ 6,902,379	$ 2,095,762

Source: 2015 Budget Adopted by the Town Board.

Tax Levy and Collection Record

	2011	2012	2013	2014	2015
General Town Tax	$ 6,282,171	$ 6,417,424	$ 6,700,566	$ 6,665,155	$ 7,041,384
Highway Tax	3,284,502	3,515,816	3,624,923	3,612,942	3,680,518
Special Districts:					
Water Districts	1,130,098	1,127,554	1,220,721	1,179,473	1,064,036
Sewer Districts	653,938	653,426	221,351	225,121	192,134
Ambulance and BDL Districts	438,556	447,988	471,137	572,631	663,695
Garbage Districts	1,718,675	1,770,687	1,766,799	1,761,432	1,850,975
Fire Districts	2,004,524	2,035,534	2,062,187	2,116,223	2,181,888
County and State Taxes	6,646,642	7,029,877	7,163,705	7,414,414	7,821,275
Reassessed					
School District Taxes	880,134	1,265,334	909,308	814,425	980,931
Relevied Items	517,937	682,966	817,784	887,677	856,765
Omitted Tax Total	8,786	16,833	12,664	33,335	23,152
Total Tax Levy	23,565,963	24,963,439	24,971,145	25,282,828	26,356,753
Adjustments	0	186,087	83,967	32,452	
Net Tax Levy	$ 23,565,963	$ 25,149,526	$ 25,055,112	$ 25,315,280	$ 26,356,753
Amount Collected:	$ 20,991,119	$ 21,851,082	$ 22,388,015	$ 22,572,474	$ 23,708,627
Retained by Town	$ 15,875,333	$ 16,403,020	$ 16,715,511	$ 16,835,309	$ 17,293,649
Balance to County	$ 5,114,865	$ 5,446,853	$ 5,672,656	$ 5,737,331	$ 7,457,683

Tax Rates Per $1,000 of Assessed Valuation
($)

	2011	2012	2013	2014	2015
County and State	17.91	18.98	19.51	20.09	20.97
General Town and Highway	25.16	26.16	27.42	27.16	28.05
Water Districts	Var	Var	Var	Var	Var
Sewer Districts	Var	Var	Var	Var	Var
New Windsor Garbage	11.46	11.81	11.80	11.76	12.36
Quassaick Fire District	11.25	11.36	11.45	11.42	11.75
Rural Fire District	N/A	N/A	N/A	N/A	N/A
Salisbury Mills Fire District	6.74	6.91	7.10	7.40	7.55
Vails Gate Fire District	3.33	3.39	3.47	3.59	3.65
New Windsor Ambulance	0.98	0.93	0.94	0.93	0.98

TOWN OF NEW WINDSOR

APPENDIX B

AUDITED FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2014