

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT*

TOWN OF

**CHEEKTOWAGA**

ERIE COUNTY, NEW YORK



*FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2010*

Mary F. Holtz, Supervisor

Councilmembers:

Patricia A. Jaworowicz	Jeff Swiatek
James P. Rogowski	Charles Markel
Stanley J. Kaznowski, III	Richard A. Zydel



# TOWN OF CHEEKTOWAGA, NEW YORK

## Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2010

Prepared by:

Town of Cheektowaga  
Office of the Supervisor

Mary F. Holtz

Supervisor



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# INTRODUCTORY SECTION



# The Town of Cheektowaga



CHEEKTOWAGA TOWN HALL  
3301 BROADWAY  
CHEEKTOWAGA, NEW YORK 14227  
(716) 686-3465  
mholtz@tocny.org

MARY F. HOLTZ  
Town Supervisor

June 8, 2011

To the Citizens of the Town of Cheektowaga:

The comprehensive annual financial report of the Town of Cheektowaga, New York (the "Town") for the fiscal year ended December 31, 2010 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rest with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included in this report.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that has been established by the Town. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Town's financial statements have been audited by Drescher & Malecki LLP. They have issued an unqualified opinion thereon. The independent auditors' report is located at the front of the financial section of this report.

The management's discussion and analysis (the "MD&A") immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A is intended to complement this letter of transmittal and should be read in conjunction with it.

The independent audit of the financial statements of the Town was also a part of the federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town's separately issued Single Audit Report.

### ***Profile of the Town***

The Town of Cheektowaga is one of the several suburbs of Buffalo, New York. The Town is one of the largest towns in New York State and is centrally located within the region, which is commonly referred to as Western New York. The Town is a unit of local government created by the State of New York. The Town operates under provisions of New York State law with authority vested by those statutes.

The Town provides a full range of services. These services include police protection; sewage utility; sanitation and recycling; construction and maintenance of highways, roads and infrastructure; culture and recreation; community development and general administrative services. The Cheektowaga Economic Development Corporation has been included in the financial statements of the Town as the Town Board is able to exercise significant control over its activities. Other units of government, which operate within the boundaries of the Town, are the Villages of Sloan, Depew and Williamsville. In addition, portions, or the total, of eight school districts provide public education within the Town. None of these entities have met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

### ***Local economy***

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment in which the Town operates.

The region has many positive attributes. The area boasts to house one of the seven natural wonders of the world, Niagara Falls, which attracts thousands of tourists each year. We have a national league football and hockey team, a prominent theater district in downtown Buffalo that has recently undergone extensive improvements, a renowned philharmonic orchestra, and numerous other cultural and social activities. The Town of Cheektowaga is located close to Lake Erie, with numerous public beaches and docks available to residents and visitors. The Lake Erie waterfront also has vast development possibilities, which currently is being discussed by local officials. We are located a short distance from major metropolis areas, including Toronto, Canada, representing the center of Canadian commerce, industry and population, Cleveland, Ohio and Pittsburgh, Pennsylvania.

The Town has a solid financial footing and hosts a regional shopping hub that continually lures additional retail opportunities. Throughout the year, the Town stood steadfast in its financial operations; The Town successfully negotiated a new contract with one of our five unions during 2010. This new contract includes the end of legacy health insurance and contributions toward health insurance by all members of this union. The wage increases of 2.5% continue to be some of the lowest in the area. The Town has remained steadfast with regard to these items being included in the other four union contracts as negotiations continue.

Positive factors which have helped or are anticipated to help the local economy include:

1. Buffalo Niagara International Airport – Travelers paid the second-highest airfare in the nation several years ago. Over the last several years, airport fares have been driven down by powerhouse budget carriers such as Southwest Airlines, Jet Blue, and AirTran. Today, this airport is the hub for a huge travel market stretching deep into Upstate New York and Southern Ontario.

2. The Town continues to be a hub of commercial and residential development in Western New York. During 2010, the Town issued 2,015 building permits with a construction value of slightly more than \$50 million
3. Hope for increased manufacturing jobs is continuing to build as businesses such as API Heat Transfer and Derrick Manufacturing expand their industries. Restaurant Depot, a \$1.7 million project that is regional business selling equipment to restaurant owners, is also creating a number of high paying jobs in the Town.
4. Developers continue to have interest in the Town. The Town saw many projects that were put on hold in previous years proceed in 2010. New buildings such as the Courtyard by Marriott Hotel on Genesee St., Walgreens on French Rd., Immediate Care on Transit Rd and Penske Trucking on Broadway St. totaled \$7.5 million in new assessments. Additionally, there were a number of remodeling/reuse projects such as Jubilee Market remodeled into a Tops Market on Harlem, Wegmans remodeled their store on Transit, the Linens & Things store was reused as Price Rite, Krispy Kreme was reused as Mighty Taco and the Roadhouse Grill was remodeled into a Tully's restaurant. These projects represent a \$10 million investment in our community.
5. The Town has commenced its expansion of its police and court building. Bids were received on August 18, 2010 for the various aspects of the 27,000 square foot addition and extensive renovations to the existing police/court facility. The low bids totaled \$13.7 million which was significantly below construction cost estimates of \$15.5 million. Work on the phase 1 addition portion of the project commenced in November 2010 and is expected to be completed in fall 2011. The renovation of the existing building in phase 2 is expected to be completed in spring 2012.

#### ***Long-term financial planning***

The General Fund's unreserved, undesignated fund balance of \$8,987,445 represents approximately 20 percent of its annual operating budget. The fund balance of the General Fund increased by \$691,321 from 2009. This fund balance is viewed by management as a fiscally sound position. The Council believes this level of fund balance is adequate and it intends to maintain current levels.

As part of its strategic plan, the Town has set some goals and objectives in order to move forward and make the Town a better place to live. A few of these goals are as follows:

1. Economic Development – The Town Board recognized the fact that we need to do more to not only attract new business to Town and create more jobs and opportunities, but we must also work with our existing businesses to keep them here. During 2010, the CEDC approved a loan to Gordon Companies in the amount of \$200,000 that is expected to create up to 10 new full-time and 20 part-time jobs in Cheektowaga in the next 1-2 years.
2. As a member of the Erie County Industrial Development Agency, the Town has strongly emphasized the needs of our community. There has been a new emphasis on reaching out to businesses by the ECIDA and passage of "The Reuse Policy" allows for loans and assistance to older structures which should help our community. Other than the City of Buffalo, more businesses in Cheektowaga have been assisted by the ECIDA than any other community.

3. The Town has taken action to deal with unsafe and abandoned structures to eliminate eyesores and hazardous situations. The Town has demolished 7 vacant buildings in 2010 and a total of 15 have been demolished since May 2008. Additionally, 6 more are slated for demolition in 2011.
4. During 2010, the Town, through our Community Development Office, has rehabilitated and brought up to housing code standards 61 housing units for a total investment of \$1.1 million. Additionally, rehabilitation work on another 23 houses was either begun or approved through the Community Development Office. The housing rehabilitation program and the Town's code enforcement efforts are important elements of the Town's commitment to stabilize and preserve its neighborhoods.

### ***Major initiatives***

There are a number of positive items to report in the area of service accomplishments and revenue enhancement / cost reduction:

1. To aid the planning of future development in the Town, we are currently working on updating the Town's Master Plan. The plan is partially funded with a \$100,000 Quality Communities Grant from the State of New York. This master plan will be a key tool through the next decade and beyond related to land use, town development and green space.
2. Our Youth and Recreation Department continues its commitment to family oriented programs, customer service and community partnerships. In 2010, they offered a total of 93 programs, services and events to an estimated 66,000 youths and adults. The department saw a 3% increase in program revenue and brought in approximately \$950,000 in total revenues. In order to continue the commitment, we have renovated the playground, tennis and roller hockey courts at Stiglemeier Park as well as updating tennis and basketball courts at Dartwood Park.
3. The Town has implemented a Neighborhood Outreach Program. The primary goal of which is to conduct a multi-faceted effort by the Town of Cheektowaga to improve the quality of life of our neighborhoods. This is performed by the building inspection, police, senior services, youth and recreation, highway and sanitation departments. These departments visited five neighborhoods during 2010 to make the citizens in those neighborhoods aware of the services that are available to them through our Town government.

Through innovative ideas and continual efforts of our Town employees, we remain an active and financially stable Town.

### ***Financial policies***

The Town has developed a Capital Plan for future capital projects within the Town. Management has decided to fund some of these projects out of current fund balances in the General and Sewer funds. These amounts have been reserved in the fund balances of each of those funds.

*Awards and acknowledgements*

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended December 31, 2009. This was the twentieth consecutive year that the Town has received this prestigious award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the accounting department. I would like to express my appreciation to all who assisted and contributed to its preparation.

In closing, I also wish to thank the Town Board for their leadership and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Sincerely,



Mary F. Holtz  
Supervisor  
Chief Fiscal Officer



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Cheektowaga  
New York

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

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



President

Executive Director



**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Town Officials**  
**Year Ended December 31, 2010**

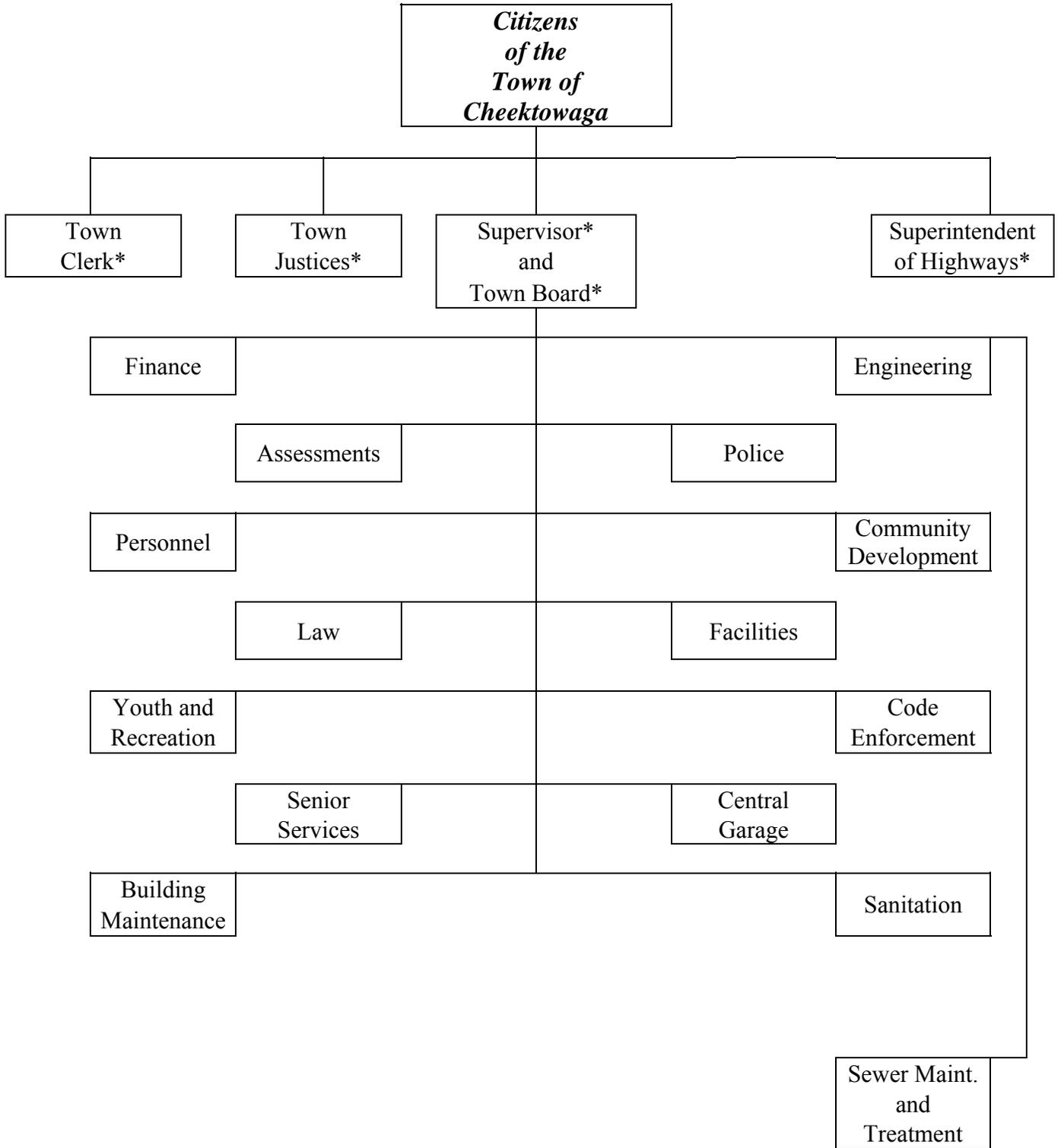
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<b>Name:</b>	<b>Title:</b>
<b>Elected:</b>	
Mary F. Holtz	Supervisor
Patricia A. Jaworowicz	Councilmember
Jeff Swiatek	Councilmember
James P. Rogowski	Councilmember
Richard A. Zydel	Councilmember
Charles C. Markel	Councilmember
Stanley J. Kaznowski III	Councilmember
Thomas S. Kolbert	Town Justice
James M. Vallone	Town Justice
Mark D. Wegner	Superintendent of Highways
Alice Magierski	Town Clerk/Receiver of Taxes
<b>Appointed:</b>	
Jeneen McSkimming	Town Assessor
Kevin Schenk	Town Attorney
Brian M. Krause	Director of Administration and Finance
<b>Civil Service:</b>	
William Pugh	Town Engineer
Christine Ziembra	Police Chief



# TOWN OF CHEEKTOWAGA

## ORGANIZATIONAL CHART



\* Represents an independently elected official.



## FINANCIAL SECTION



## **INDEPENDENT AUDITORS' REPORT**

Honorable Town Board  
Town of Cheektowaga, New York

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Cheektowaga, New York (the "Town") as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Cheektowaga Economic Development Corporation, which are shown as a discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for the Cheektowaga Economic Development Corporation, is based solely on the report of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town at December 31, 2010, and the respective changes in financial position thereof and the respective budgetary comparisons for the General, Highway, Sewer and Consolidated Garbage Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 11 through 23 is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. This supplementary information is the responsibility of Town management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the respective financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Town. These financial statements and schedules are the responsibility of the management of the Town. Such additional information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

The introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Handwritten signature of Desch & Malin LLP in cursive script.

June 8, 2011

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2010**

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As management of the Town of Cheektowaga, New York (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2010. Certain data from the prior year has been reclassified to conform with the current year presentation. This document should be read in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

**Financial Highlights**

- ◆ The Town's Governmental Activities net assets decreased \$4,850,959, as a result of this year's activity.
- ◆ The assets of the primary government of the Town exceeded its liabilities at the close of the fiscal year by \$55,925,441 (net assets). Of this amount, \$785,009, unrestricted net assets, may be used to meet the Town's ongoing operations.
- ◆ At the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$39,783,010, a decrease of \$4,545,326 in comparison with the prior year. Approximately 11.8 percent of this amount, \$4,704,469, is available for spending at the government's discretion (unreserved, undesignated fund balance).
- ◆ The General Fund reported a net increase in fund balance this year of \$691,321. At December 31, 2010, unreserved, undesignated fund balance for the General Fund was \$8,987,445, or 19.6 percent of 2011 General Fund appropriations.
- ◆ During the year ended December 31, 2010, the Town issued refunding debt in the amount of \$4,510,000. Considering the refunding and payments of \$6,610,000 made on the debt outstanding, the Town's total bonded indebtedness decreased by \$2,100,000.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The basic financial statements include two kinds of statements that present different views of the Town:

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole.

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the Town include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation.

The government-wide financial statements include not only the Town itself (known as the *primary government*), but also the Cheektowaga Economic Development Corporation for which the Town is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 24-25 of this report.

**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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has two kinds of funds:

**Governmental 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 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 thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Highway, Sewer, Consolidated Garbage, Community Development and Capital Projects funds, all of which are considered to be major funds. Data from the other seven funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town adopts an annual appropriated budget for General, Highway, Sewer, Consolidated Garbage, Town Outside Village, Debt Service, Lighting, Master Drainage and Water Hydrant funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 26-33 of this report.

**Fiduciary 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 statement because the resources of those funds are *not* available to support the Town’s own programs.

The fiduciary fund financial statements can be found on page 34 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-55 of this report.

**Other information.** As stated earlier, the financial statements include a section with combining statements that provide details about our nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Additionally, the financial statements include a statistical section to provide additional analysis on the Town.

The supplemental financial statements can be found following the notes to the financial statements on pages 56-64 of this report. The statistical section information can be found at pages 65-85 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the Town, assets exceeded liabilities by \$55,925,441 at the close of the 2010 fiscal year, as compared to \$60,776,400 at the close of the 2009 fiscal year.

**Table 1 – Condensed Statement of Net Assets**

	<b>December 31,</b>	
	<u><b>2010</b></u>	<u><b>2009</b></u>
Current assets	\$ 66,048,900	\$ 63,832,843
Capital assets	<u>72,995,343</u>	<u>66,766,518</u>
Total assets	<u>139,044,243</u>	<u>130,599,361</u>
Current liabilities	26,427,819	19,604,413
Noncurrent liabilities	<u>56,690,983</u>	<u>50,218,548</u>
Total liabilities	<u>83,118,802</u>	<u>69,822,961</u>
Invested in capital assets, net of related debt	53,004,308	49,718,794
Restricted	2,136,124	4,760,921
Unrestricted	<u>785,009</u>	<u>6,296,685</u>
Total net assets	<u>\$ 55,925,441</u>	<u>\$ 60,776,400</u>

The largest portion of the Town’s net assets reflects its investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently,

these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net assets, \$2,136,124, represents resources that are subject to external restrictions on how they may be used. An additional portion of net assets, \$785,009, is considered to be unrestricted and is available to meet the Town's ongoing operations.

Total net assets decreased \$4,850,959 from prior year. The decrease in net assets can be primarily attributed to increased expenses related to the Town's other postemployment benefits ("OPEB") costs and increases in employee benefits, in addition to decreases in revenue received from interest earnings, sale of property and compensation for loss and unrestricted state aid during the year ended December 31, 2010.

The Town had a ratio of current assets to current liabilities of 2.50 at December 31, 2010, which decreased from 3.26 at December 31, 2009. Such a ratio implies that the Town has sufficient assets on hand to meet obligations in the coming year.

Table 2, shown below, presents a comparison of current assets to current liabilities at December 31, 2010 and December 31, 2009:

**Table 2 – Current assets and current liabilities**

	<b>December 31,</b>	
	<b>2010</b>	<b>2009</b>
Current assets	\$66,048,900	\$63,832,843
Current liabilities	26,427,819	19,604,413
 Ratio of current assets to current liabilities	 2.50	 3.26

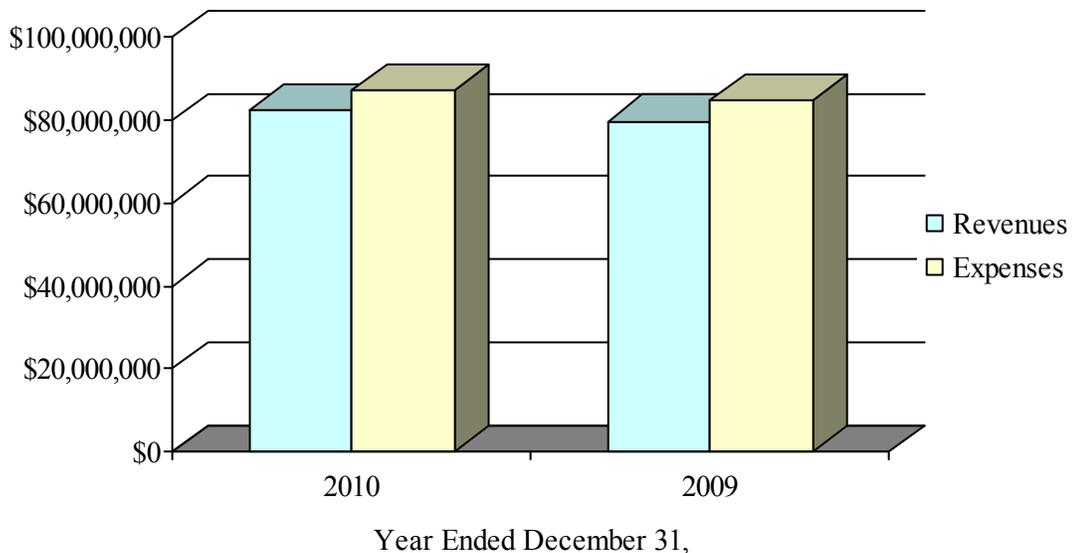
Table 3, presented on the following page, shows the changes in net assets for the years ending December 31, 2010 and December 31, 2009.

**Table 3 – Condensed Statements of Revenues, Expenses and Changes in Net Assets**

	<b>Year Ended December 31,</b>	
	<b>2010</b>	<b>2009</b>
Program revenues:		
Charges for services	\$ 3,979,934	\$ 3,933,895
Operating grants and contributions	2,890,335	2,610,887
Capital grants and contributions	1,009,851	597,923
General revenues	<u>74,439,262</u>	<u>72,608,145</u>
Total revenues	<u>82,319,382</u>	<u>79,750,850</u>
Program expenses	<u>87,170,341</u>	<u>84,629,411</u>
Change in net assets	(4,850,959)	(4,878,561)
Net assets—beginning	<u>60,776,400</u>	<u>65,654,961</u>
Net assets—ending	<u>\$ 55,925,441</u>	<u>\$ 60,776,400</u>

As shown below in Figure 1, revenues for the year ended December 31, 2010 increased 3.2 percent, while expenses increased by 3.0 percent, from the year ended December 31, 2009.

**Figure 1 – Comparison of Revenues and Expenses**



Overall revenues increased by 3.2 percent due primarily to increased property taxes coupled by increases in grants and contributions. Total program expenses increased 3.0 percent from the year ended December 31, 2009 due primarily to increased transportation and public safety costs, coupled by increased costs across governmental activities due to increased OPEB costs and employee benefits.

A summary of sources of revenues for the years ended December 31, 2010 and December 31, 2009 is presented below in Table 4:

**Table 4 – Summary of Sources of Revenues**

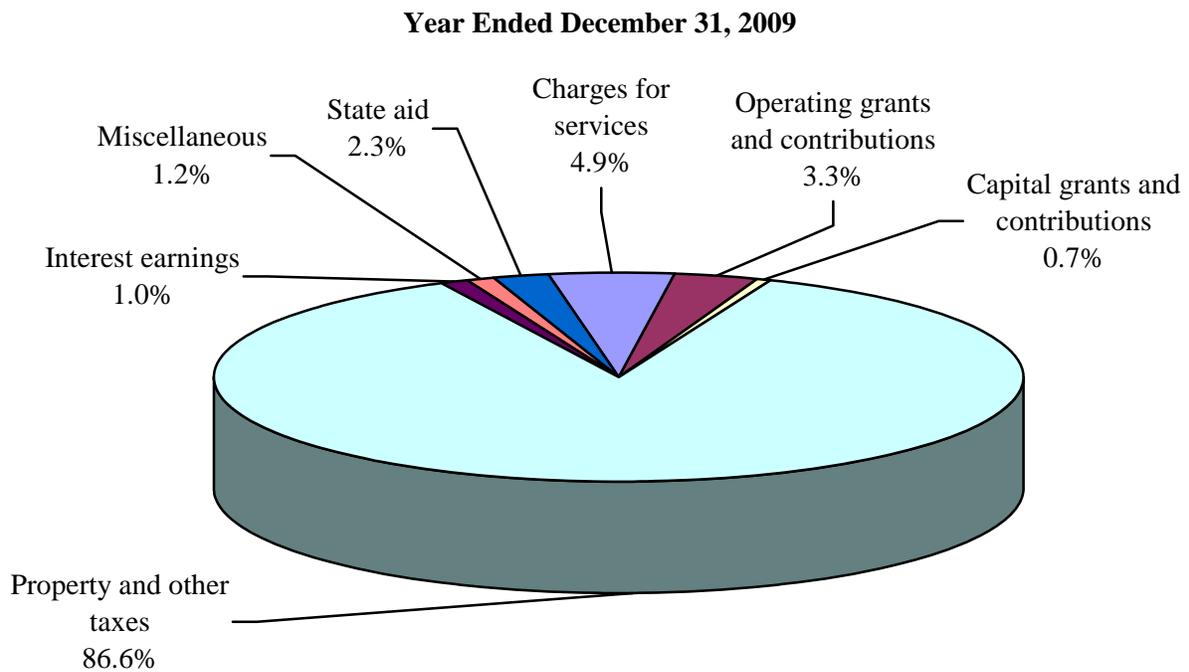
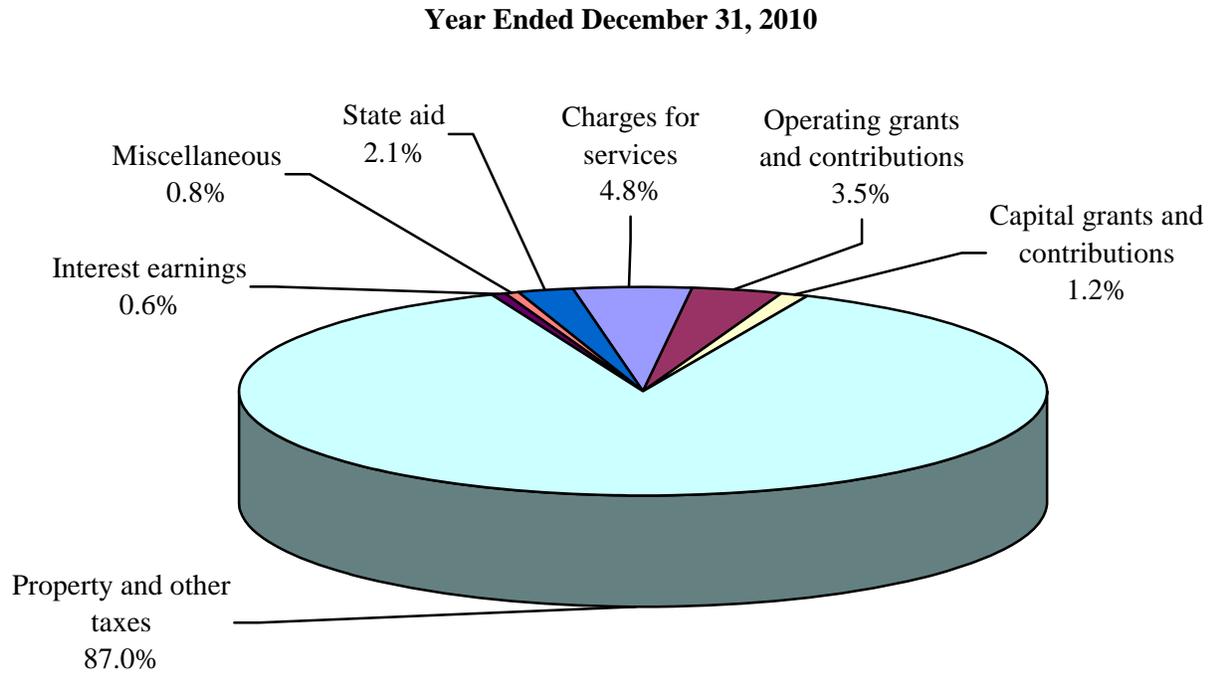
	<b>Year Ended December 31,</b>		<b>Increase/(decrease)</b>	
	<b>2010</b>	<b>2009</b>	<b>Dollars</b>	<b>Percent</b>
Charges for services	\$ 3,979,934	\$ 3,933,895	\$ 46,039	1.2
Operating grants and contributions	2,890,335	2,610,887	279,448	10.7
Capital grants and contributions	1,009,851	597,923	411,928	68.9
Property and other taxes	71,637,413	69,101,132	2,536,281	3.7
Interest earnings	453,969	818,404	(364,435)	(44.5)
Miscellaneous	622,231	841,832	(219,601)	(26.1)
Unrestricted state aid	1,725,649	1,846,777	(121,128)	(6.6)
Total revenues, net	<u>\$ 82,319,382</u>	<u>\$ 79,750,850</u>	<u>\$ 2,568,532</u>	3.2

As presented in Table 4, the Town's most significant source of revenues is property and other taxes, which accounts for \$71,637,413 for the year ended December 31, 2010 and \$69,101,132, for the year ended December 31, 2009. The next largest source of revenue for the year ended December 31, 2010 was charges for services of \$3,979,934, as compared to \$3,933,895 for the year ended December 31, 2009.

During the year ended December 31, 2010, property and other taxes increased \$2,536,281 from the year ended December 31, 2009. The Town also experienced greater capital and operating grants and contributions than prior year; these revenues root from various increased federal and state aid.

Figure 2, below, presents the components of the Town's revenues for the years ended December 31, 2010 and December 31, 2009.

**Figure 2 – Components of Revenues**



A summary of program expenses for the years ended December 31, 2010 and December 31, 2009 is presented below in Table 5:

**Table 5 – Summary of Program Expenses**

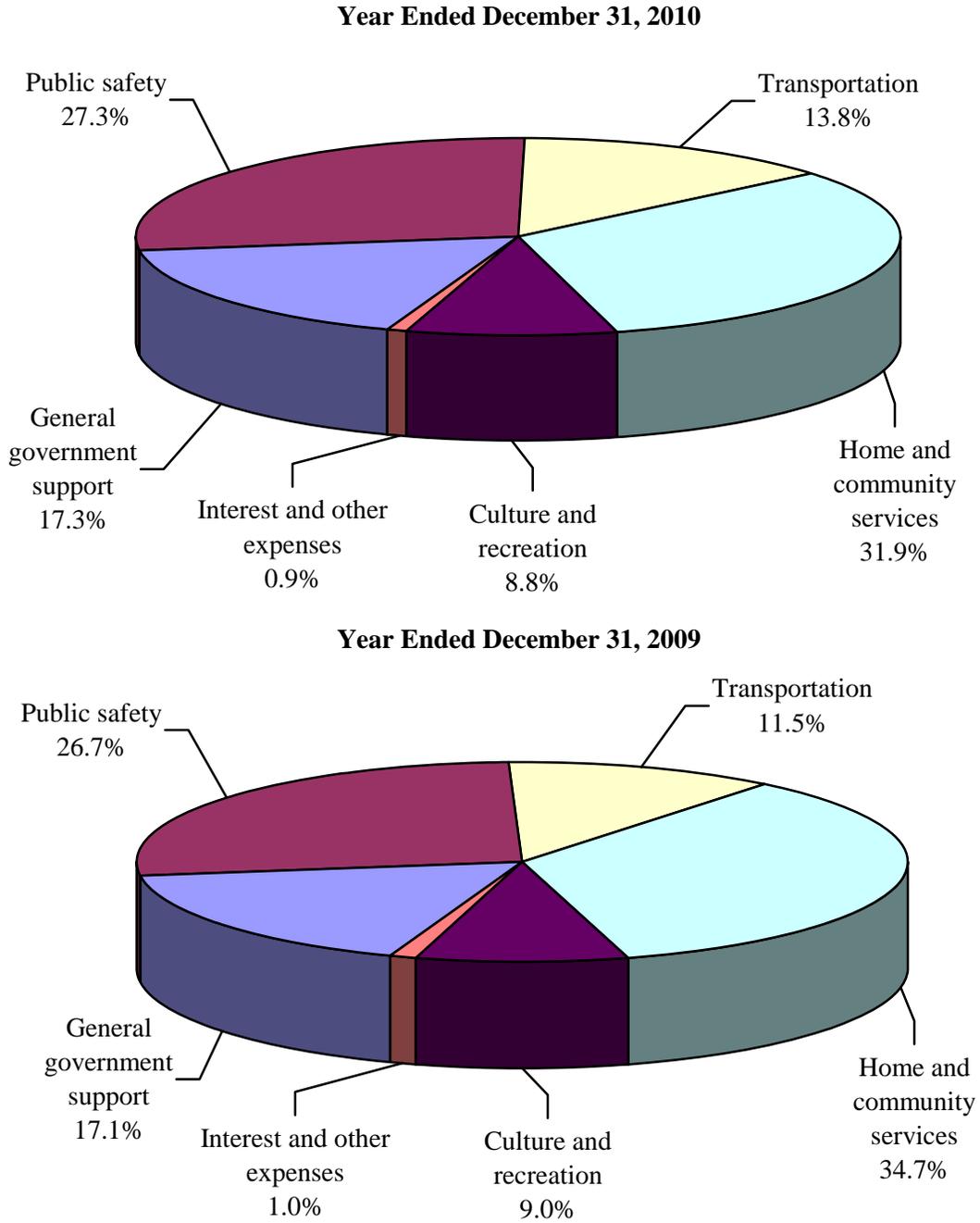
	<b>Year Ended December 31,</b>		<b>Increase/(decrease)</b>	
	<b>2010</b>	<b>2009</b>	<b>Dollars</b>	<b>Percent</b>
General government support	\$ 15,065,695	\$ 14,510,433	\$ 555,262	3.8
Public safety	23,838,771	22,556,169	1,282,602	5.7
Transportation	12,062,694	9,756,559	2,306,135	23.6
Economic assistance and opportunity	11,785	10,195	1,590	15.6
Culture and recreation	7,693,325	7,627,522	65,803	0.9
Home and community services	27,716,827	29,351,877	(1,635,050)	(5.6)
Interest and other fiscal charges	781,244	816,656	(35,412)	(4.3)
Total program expenses	<u>\$ 87,170,341</u>	<u>\$ 84,629,411</u>	<u>\$ 2,540,930</u>	3.0

As presented in Figure 3 on the following page, the Town's significant expense items for the year ended December 31, 2010 were home and community services of \$27,716,827 (primarily sewer, lighting, and sanitation services), public safety of \$23,838,771 (primarily police services), general government support of \$15,065,695 and transportation of \$12,062,694 (primarily highway and road services). Similarly, for the year ended December 31, 2009 significant expenses were home and community services of \$29,351,877, public safety of \$22,556,169, general government support of \$14,510,433 and transportation of \$9,756,559.

Transportation expenses during the year ended December 31, 2010 increased by \$2,306,135 from the year ended December 31, 2009. This increase, along with those experienced in general government support and public safety, was caused by the significant rise in OPEB and employee benefits costs. Decreased funding for community development initiatives offset the increased OPEB and employee benefits costs, resulting in a considerable decrease in home and community services.

Figure 3, below, presents the components of the Town's program expenses for the years ended December 31, 2010 and December 31, 2009.

**Figure 3 – Components of Program Expenses**



## Financial Analysis of the Town's Funds

**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, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$39,783,010, a decrease of \$4,545,326 in comparison with the prior year. Approximately 11.8 percent of this total amount, \$4,705,469, constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved or designated* to indicate that it is not available for new spending because it has already been committed for liquidation of contracts and purchase orders, equipment, pollution remediation, building demolition, for self-insurance, to finance capital projects, to pay debt service and for prepaid items.

The Town's General Fund ending fund balance was \$19,557,549. Approximately 46.0 percent, \$8,987,445, of this amount is *unreserved, undesignated fund balance*. The General Fund fund balance increased \$691,321 as a result of this year's activity. Overall General Fund revenues for the year ended December 31, 2010 were marginally higher in comparison to the year ended December 31, 2009, increasing 4.4 percent, \$1,777,732. This increase was largely the result of increased real property tax revenue received within the fund, up \$2,040,305, supported by increased fines and forfeitures, which increased \$172,306 from the prior year, and increased federal aid from new grants which accounted for an increase of \$163,969 from prior year. These increases in revenue were somewhat offset by decreased use of money and property from interest earnings and sale of property and compensation for loss. Total expenditures for the year ended December 31, 2010 were relatively consistent with those from December 31, 2009, increasing only \$36,619. Major changes within the General Fund's expenditures included a significant decrease in risk financing expenses, in comparison to the litigation the Town faced in prior year, offset by a large increase in employee benefits due to rising health insurance and retirement costs.

The Town's Highway Fund ending fund balance was \$4,279,724. Approximately 31.7 percent, \$1,357,172, of this amount is *unreserved, undesignated fund balance*. During the year ended December 31, 2010 the Highway Fund fund balance increased \$359,177 largely from favorable sale tax receipts and controlling transportation costs in the fund, aided by a reduction in transfers out for debt principal and interest.

The Town's Sewer Fund ending fund balance was \$6,377,009. Approximately 30.8 percent, \$1,964,919, of this amount is *unreserved, undesignated fund balance*. Fund balance within the Sewer Fund rose \$435,977 in the current year mainly from controlling home and community service expenditures.

The Town's Consolidated Garbage Fund ending fund balance was \$4,932,404. Approximately 84.0 percent, \$4,144,302, of this amount is *unreserved, undesignated fund balance*. The Town Consolidated Garbage Fund remained very consistent to the prior year, increasing \$639.

The Town's Community Development Fund ending fund balance was \$191,408. Nearly 99.5 percent, \$190,428, of this amount is *unreserved, undesignated fund balance*. During the year ended December 31, 2010 the Community Development Fund fund balance increased by \$53,752.

The Town's Capital Projects Fund ending fund balance was in a deficit position of \$2,622,557. The Capital Projects Fund has committed \$13,595,501 to encumbrances creating an *unreserved, undesignated fund deficit* of \$16,218,058. This deficit is expected to be remedied through proceeds from future bonds which have been authorized but not yet issued.

A summary of the Town’s major funds’ fund balance is provided in Table 6.

**Table 6—Major Funds’ Fund Balance**

	<u>General</u>	<u>Highway</u>	<u>Sewer</u>
Net change in fund balances	\$ 691,321	\$ 359,177	\$ 435,977
Unreserved, undesignated	8,987,445	1,357,172	1,964,919
Total fund balance (deficit)	19,557,549	4,279,724	6,377,009
Percentage unreserved, undesignated	46.0%	31.7%	30.8%

	<u>Consolidated Garbage</u>	<u>Community Development</u>	<u>Capital Projects</u>
Net change in fund balances	\$ 639	\$ 53,752	\$ (6,139,947)
Unreserved, undesignated	4,144,302	190,428	(16,218,058)
Total fund balance (deficit)	4,932,404	191,408	(2,622,557)
Percentage unreserved, undesignated	84.0%	99.5%	n/a

**General Fund Budgetary Highlights**

During the year there was a \$929,147 net increase in General Fund appropriations between the original and final amended budget. This increase was due to \$1,119,339 supplemental appropriations for general government support largely in anticipation of an increase for claims and judgments expenses from litigation pending against the Town and to budget appropriations for a grant funded by the State.

These supplemental appropriations were primarily supported by expenditures falling under the original budget; and from a variety of favorable revenues variances.

General Fund actual expenditures were \$2,941,000 less than final amended budget appropriations. Following are the main components of the variance:

- ◆ General government support expenditures were \$470,440 less than anticipated largely due to savings for contractual services, utility costs and payroll within buildings and grounds and the assessor’s departments.
- ◆ Public safety expenditures were \$438,940 less than budget due to less police department payroll and general equipment costs than projected.
- ◆ Culture and recreation expenditures were \$441,054 less than anticipated due to unexpected savings in personnel and utility costs.
- ◆ Employee benefits were \$1,543,719 under the final budgeted amount due to less retirement and retirees’ hospitalization expenditures than forecasted.

## Capital Asset and Debt Administration

**Capital Assets.** The Town's investment in capital assets for its governmental funds as of December 31, 2010, amounted to \$72,995,343 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, infrastructure, buildings and improvements, vehicles and equipment.

All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the Town's capital asset policy.

Capital assets net of depreciation for the governmental activities at the years ended December 31, 2010 and 2009 are presented below:

**Table 7—Summary of Capital Assets (Net of Depreciation)**

	Governmental Activities	
	2010	2009
Land	\$ 6,725,239	\$ 6,725,239
Construction in progress	4,122,211	1,326,843
Buildings	10,965,464	10,291,078
Permanent fixtures	6,100,164	5,959,932
Machinery and equipment	10,268,425	9,741,479
Infrastructure	34,813,840	32,721,947
Total	<u>\$72,995,343</u>	<u>\$66,766,518</u>

The Town's infrastructure assets are recorded at historical cost or estimated historical cost in the government-wide financial statements. The Town has elected to depreciate their infrastructure assets. Additional information on the Town's capital assets can be found in Note 7 of this report.

**Debt.** At December 31, 2010, the Town had total long-term bonds outstanding of \$11,315,000 as compared to \$13,415,000 in the prior year. During the year ended December 31, 2010, the Town issued refunding debt in the amount of \$4,510,000 and made scheduled payments of \$6,610,000. New York State statutes limit the amount of general obligation debt a governmental entity may issue up to 7% of its five year valuation. The current debt-limitation for the Town is \$274,199,759, which is significantly in excess of the Town's outstanding general obligation debt.

The Town has a bond rating from Moody's Investor Service of Aa2. Additional information on the Town's long-term debt can be found in Note 9 of this report.

### **Financial Positions, Economic Factors, Next Year's Budgets and Rates**

- ◆ The unemployment rate for the Buffalo-Niagara statistical area, which includes the Town, was 8.2 percent, which is a decrease from a rate of 8.6 percent a year ago. This compares with the New York State average of 8.0 percent and the national average of 9.1 percent in December 2010.
- ◆ Healthcare costs consistently increase at rates well above inflation.

All of these factors are considered in preparing the Town's budgets.

The Town's 2011 budget includes the appropriation of \$2,550,000 of fund balance in the General Fund. The 2011 budget also includes a General Fund tax rate increase of 4.0 percent.

### **Contacting the Town's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Supervisor's Office, Town of Cheektowaga, 3301 Broadway St., Cheektowaga, NY 14227.

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# BASIC FINANCIAL STATEMENTS



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**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Net Assets**  
**December 31, 2010**

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Cheektowaga E.D.C. (March 31, 2010)</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 51,379,483	\$ 972,054
Accounts receivable	679,038	166,298
Loans receivable	6,756,771	1,012,148
Due from other governments	5,998,890	-
Prepays	1,234,718	-
Capital assets not being depreciated	10,847,450	-
Capital assets net of accumulated depreciation	62,147,893	-
Total assets	139,044,243	2,150,500
<b>LIABILITIES</b>		
Accounts payable	3,612,185	15,875
Accrued liabilities	5,645,536	-
Due to other governments	1,320,445	4,029
Bond anticipation notes payable	8,300,000	-
Unearned revenue	7,549,653	-
Noncurrent liabilities:		
Due within one year	3,010,585	-
Due in more than one year	53,680,398	-
Total liabilities	83,118,802	19,904
<b>NET ASSETS</b>		
Investment in capital assets, net of related debt	53,004,308	-
Restricted for:		
Debt service	2,136,124	-
Unrestricted	785,009	2,130,596
Total net assets	\$ 55,925,441	\$ 2,130,596

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Activities**  
**Year Ended December 31, 2010**

<u>Function/Program</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>	<u>Component Unit Cheektowaga E.D.C. (March 31,2010)</u>
<b>Primary government:</b>						
Governmental activities:						
General government support	\$ 15,065,695	\$ 802,947	\$ 74,659	\$ 11,080	\$ (14,177,009)	\$ -
Public safety	23,838,771	1,385,466	342,131	-	(22,111,174)	-
Transportation	12,062,694	269,481	20,509	320,027	(11,452,677)	-
Economic assistance and opportunity	11,785	-	-	-	(11,785)	-
Culture and recreation	7,693,325	996,153	92,191	258,884	(6,346,097)	-
Home and community services	27,716,827	525,887	2,360,845	419,860	(24,410,235)	-
Interest and other fiscal charges	781,244	-	-	-	(781,244)	-
Total primary government	<u>\$ 87,170,341</u>	<u>\$ 3,979,934</u>	<u>\$ 2,890,335</u>	<u>\$ 1,009,851</u>	<u>(79,290,221)</u>	<u>-</u>
<b>Component unit:</b>						
Cheektowaga E.D.C.	\$ 26,142	\$ -	\$ -	\$ -	-	(26,142)
Total component unit	<u>\$ 26,142</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(26,142)</u>
General revenues:						
Property taxes					62,528,924	-
Non-property taxes:						
Sales tax					8,180,932	-
Franchise tax					927,557	-
Interest earnings					453,969	49,302
Sale of property and compensation for loss					132,762	-
Miscellaneous					489,469	12,302
Unrestricted state aid					<u>1,725,649</u>	<u>-</u>
Total general revenues					<u>74,439,262</u>	<u>61,604</u>
Change in net assets					(4,850,959)	35,462
Net assets—beginning					<u>60,776,400</u>	<u>2,095,134</u>
Net assets—ending					<u>\$ 55,925,441</u>	<u>\$ 2,130,596</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Balance Sheet—Governmental Funds**  
**December 31, 2010**

	<u>Special Revenue</u>					<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Highway</u>	<u>Sewer</u>	<u>Consolidated Garbage</u>	<u>Community Development</u>			
<b>ASSETS</b>								
Cash and cash equivalents	\$ 23,798,197	\$ 2,809,495	\$ 7,345,346	\$ 5,361,475	\$ 218,584	\$ 4,609,515	\$ 7,236,871	\$ 51,379,483
Accounts receivable	640,321	-	16,544	15,466	-	-	6,707	679,038
Loans receivable	-	-	-	-	6,756,771	-	-	6,756,771
Due from other funds	597,826	20,380	4,200	-	118,316	956,435	95,697	1,792,854
Due from other governments	1,621,172	2,570,788	343,411	23,665	540,036	780,414	119,404	5,998,890
Prepaid items	862,158	90,498	53,932	59,506	980	-	26,654	1,093,728
Total assets	<u>\$ 27,519,674</u>	<u>\$ 5,491,161</u>	<u>\$ 7,763,433</u>	<u>\$ 5,460,112</u>	<u>\$ 7,634,687</u>	<u>\$ 6,346,364</u>	<u>\$ 7,485,333</u>	<u>\$ 67,700,764</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 798,044	\$ 817,339	\$ 750,135	\$ 350,287	\$ 52,961	\$ 568,941	\$ 274,478	\$ 3,612,185
Accrued liabilities	4,820,912	151,669	106,828	161,234	-	-	101,974	5,342,617
Due to other funds	498,843	80,000	511,537	-	598,164	99,980	4,330	1,792,854
Due to other governments	1,192,817	21,056	17,924	16,187	35,383	-	37,078	1,320,445
Deferred revenue	651,509	141,373	-	-	6,756,771	-	-	7,549,653
Bond anticipation notes payable	-	-	-	-	-	8,300,000	-	8,300,000
Total liabilities	<u>7,962,125</u>	<u>1,211,437</u>	<u>1,386,424</u>	<u>527,708</u>	<u>7,443,279</u>	<u>8,968,921</u>	<u>417,860</u>	<u>27,917,754</u>
Fund balances:								
Reserved for:								
Encumbrances	307,904	132,054	57,810	163,596	-	13,595,501	42,304	14,299,169
Insurance	1,230,042	-	-	-	-	-	-	1,230,042
Debt service	-	-	-	-	-	-	2,136,124	2,136,124
Prepaid items	862,158	90,498	53,932	59,506	980	-	26,654	1,093,728
Unreserved, designated for:								
Capital projects	5,620,000	-	1,000,000	-	-	-	-	6,620,000
Equipment	-	1,800,000	-	-	-	-	-	1,800,000
Pollution remediation	-	-	2,700,000	-	-	-	-	2,700,000
Building demolition	-	-	-	-	-	-	115,600	115,600
Subsequent years' expenditures	2,550,000	900,000	600,348	565,000	-	-	-	4,615,348

(continued)

(concluded)

	<u>Special Revenue</u>					<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Highway</u>	<u>Sewer</u>	<u>Consolidated Garbage</u>	<u>Community Development</u>			
Subsequent years' expenditures, reported in nonmajor:								
Town outside village fund	-	-	-	-	-	-	125,000	125,000
Lighting district fund	-	-	-	-	-	-	275,000	275,000
Master drainage fund	-	-	-	-	-	-	11,000	11,000
Water hydrant fund	-	-	-	-	-	-	56,530	56,530
Unreserved, undesignated	8,987,445	1,357,172	1,964,919	4,144,302	190,428	(16,218,058)	-	426,208
Unreserved, undesignated, reported in nonmajor:								
Special purpose fund	-	-	-	-	-	-	686,824	686,824
Town outside village fund	-	-	-	-	-	-	1,718,336	1,718,336
Lighting district fund	-	-	-	-	-	-	1,105,486	1,105,486
Master drainage fund	-	-	-	-	-	-	368,342	368,342
Water hydrant fund	-	-	-	-	-	-	400,273	400,273
Total fund balances	<u>19,557,549</u>	<u>4,279,724</u>	<u>6,377,009</u>	<u>4,932,404</u>	<u>191,408</u>	<u>(2,622,557)</u>	<u>7,067,473</u>	<u>39,783,010</u>
Total liabilities and fund balances	<u>\$ 27,519,674</u>	<u>\$ 5,491,161</u>	<u>\$ 7,763,433</u>	<u>\$ 5,460,112</u>	<u>\$ 7,634,687</u>	<u>\$ 6,346,364</u>	<u>\$ 7,485,333</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$128,951,965 and the accumulated depreciation is \$55,956,622.

72,995,343

Bond issuance costs are reported as expenditures in the governmental funds. The issuance cost is \$222,199 and accumulated amortization is \$81,209. Bond issuance premiums are reported as revenues in the governmental funds. The issuance premium is \$158,333 and accumulated amortization is \$10,995.

(6,348)

Net accrued interest for bonds and notes not reported in the balance sheet for governmental funds.

(155,581)

Long-term liabilities, including bonds payable, capital leases, claims and judgements, other post-employment obligation and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

(56,690,983)

Total net assets—governmental activities

\$ 55,925,441

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds**  
**Year Ended December 31, 2010**

	<u>Special Revenue</u>					<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Highway</u>	<u>Sewer</u>	<u>Consolidated Garbage</u>	<u>Community Development</u>			
<b>REVENUES</b>								
Real property taxes	\$ 35,108,654	\$ 3,157,334	\$ 10,558,585	\$ 8,749,798	\$ -	\$ -	\$ 3,639,759	\$ 61,214,130
Other property tax items	1,036,784	55,554	-	219,350	-	-	3,106	1,314,794
Non property tax items	1,627,557	6,127,796	-	-	-	-	1,353,136	9,108,489
Departmental income	1,302,423	200	-	141,516	-	-	-	1,444,139
Intergovernmental charges	-	269,281	384,371	-	-	-	-	653,652
Use of money and property	175,606	18,710	43,818	37,962	-	19,492	158,381	453,969
Licenses and permits	34,232	-	-	-	-	-	500,745	534,977
Fines and forfeitures	1,347,166	-	-	-	-	-	-	1,347,166
Sale of property and compensation for loss	88,392	34,428	8,364	-	-	-	1,578	132,762
Miscellaneous	138,534	42,004	87,342	44,418	-	52,526	160,250	525,074
State aid	1,394,752	837,651	-	-	400,000	1,009,851	-	3,642,254
Federal aid	259,798	20,509	10,180	23,665	1,667,202	-	2,227	1,983,581
Total revenues	<u>42,513,898</u>	<u>10,563,467</u>	<u>11,092,660</u>	<u>9,216,709</u>	<u>2,067,202</u>	<u>1,081,869</u>	<u>5,819,182</u>	<u>82,354,987</u>
<b>EXPENDITURES</b>								
Current:								
General government support	8,963,410	-	-	-	-	5,007,632	-	13,971,042
Public safety	15,417,893	-	-	-	-	109,560	1,214,641	16,742,094
Transportation	222,098	6,370,814	-	-	-	1,891,698	-	8,484,610
Economic assistance and opportunity	8,259	-	-	-	-	-	-	8,259
Culture and recreation	5,075,014	-	-	-	-	199,581	15,896	5,290,491
Home and community services	-	5,328	8,193,624	6,670,733	2,013,450	812,537	3,010,781	20,706,453
Employee benefits	11,889,076	2,178,414	1,577,805	2,132,337	-	-	771,555	18,549,187
Debt service:								
Principal—serial bonds	-	-	-	-	-	-	2,135,000	2,135,000
Principal—capital leases	-	-	-	-	-	-	339,951	339,951
Interest	-	-	-	-	-	-	673,226	673,226
Total expenditures	<u>41,575,750</u>	<u>8,554,556</u>	<u>9,771,429</u>	<u>8,803,070</u>	<u>2,013,450</u>	<u>8,021,008</u>	<u>8,161,050</u>	<u>86,900,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>938,148</u>	<u>2,008,911</u>	<u>1,321,231</u>	<u>413,639</u>	<u>53,752</u>	<u>(6,939,139)</u>	<u>(2,341,868)</u>	<u>(4,545,326)</u>

(continued)

(concluded)

	<u>Special Revenue</u>				<u>Community Development</u>	<u>Capital Projects</u>	<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Highway</u>	<u>Sewer</u>	<u>Consolidated Garbage</u>			<u>Governmental Funds</u>	<u>Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	1,134,000	63,516	-	-	-	1,181,820	3,221,779	5,601,115
Transfers out	(1,380,827)	(1,713,250)	(885,254)	(413,000)	-	(382,628)	(826,156)	(5,601,115)
Proceeds of advanced refunding bond issuance	-	-	-	-	-	-	4,510,000	4,510,000
Premium on advanced refunding bond issuance	-	-	-	-	-	-	84,067	84,067
Payments to escrow for advanced refunding	-	-	-	-	-	-	(4,594,067)	(4,594,067)
Total other financing sources and uses	<u>(246,827)</u>	<u>(1,649,734)</u>	<u>(885,254)</u>	<u>(413,000)</u>	<u>-</u>	<u>799,192</u>	<u>2,395,623</u>	<u>-</u>
Net change in fund balances	691,321	359,177	435,977	639	53,752	(6,139,947)	53,755	(4,545,326)
Fund balances—beginning	<u>18,866,228</u>	<u>3,920,547</u>	<u>5,941,032</u>	<u>4,931,765</u>	<u>137,656</u>	<u>3,517,390</u>	<u>7,013,718</u>	<u>44,328,336</u>
Fund balances—ending	<u>\$ 19,557,549</u>	<u>\$ 4,279,724</u>	<u>\$ 6,377,009</u>	<u>\$ 4,932,404</u>	<u>\$ 191,408</u>	<u>\$ (2,622,557)</u>	<u>\$ 7,067,473</u>	<u>\$ 39,783,010</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances—total governmental funds \$ (4,545,326)

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Capital asset additions were \$10,478,996, with related depreciation expense of \$4,211,521. This is the amount by which capital asset additions exceeded depreciation in the current period.

6,267,475

Loss on disposition of assets that is recorded in the statement of activities but not in the statement for governmental funds.

(38,650)

The governmental funds report the repayment of bond principal as an expenditure. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Issuance of serial bonds	\$ (4,510,000)	
Net repayment of serial bonds	6,610,000	
Bond issuance premiums and costs, net of discounts	(84,067)	
Payment on capital lease	339,951	
Net change in accrued expense	<u>28,875</u>	2,384,759

In the statement of activities, certain operating expenses—other post-employment benefit obligations, compensated absences (vacation & sick leave) and judgments and claims—are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount is the net effect of these differences in the treatment of such items.

(8,912,386)

Amortization of net bond issuance costs that are recorded on the statement for governmental funds but not in the statement of activities.

(6,831)

Change in net assets of governmental activities

\$ (4,850,959)

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Revenues, Expenditures and Changes in Fund Balance—**  
**Budget and Actual—General Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 35,056,906	\$ 35,056,906	\$ 35,108,654	\$ 51,748
Other property tax items	945,000	945,000	1,036,784	91,784
Non property tax items	1,400,000	1,400,000	1,627,557	227,557
Departmental income	1,036,800	1,050,144	1,302,423	252,279
Use of money and property	474,000	474,000	175,606	(298,394)
Licenses and permits	25,900	25,900	34,232	8,332
Fines and forfeitures	1,075,000	1,075,000	1,347,166	272,166
Sale of property and compensation for loss	19,500	35,196	88,392	53,196
Miscellaneous	40,000	45,557	138,534	92,977
State aid	1,285,489	1,375,844	1,394,752	18,908
Federal aid	91,000	91,000	259,798	168,798
Total revenues	<u>41,449,595</u>	<u>41,574,547</u>	<u>42,513,898</u>	<u>939,351</u>
<b>EXPENDITURES</b>				
General government support	8,314,511	9,433,850	8,963,410	470,440
Public safety	15,833,388	15,856,833	15,417,893	438,940
Transportation	265,241	265,241	222,098	43,143
Economic assistance and opportunity	12,700	11,963	8,259	3,704
Culture and recreation	5,499,402	5,516,068	5,075,014	441,054
Employee benefits	13,624,462	13,432,795	11,889,076	1,543,719
Total expenditures	<u>43,549,704</u>	<u>44,516,750</u>	<u>41,575,750</u>	<u>2,941,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,100,109)</u>	<u>(2,942,203)</u>	<u>938,148</u>	<u>3,880,351</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,128,000	1,134,000	1,134,000	-
Transfers out	(3,050,000)	(2,018,101)	(1,380,827)	637,274
Total other financing sources (uses)	<u>(922,000)</u>	<u>(884,101)</u>	<u>(246,827)</u>	<u>637,274</u>
Net change in fund balance	(3,022,109)	(3,826,304)	691,321	4,517,625
Fund balance—beginning	<u>18,866,228</u>	<u>18,866,228</u>	<u>18,866,228</u>	<u>-</u>
Fund balance—ending	<u>\$ 15,844,119</u>	<u>\$ 15,039,924</u>	<u>\$ 19,557,549</u>	<u>\$ 4,517,625</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Revenues, Expenditures and Changes in Fund Balance—**  
**Budget and Actual—Highway Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 3,157,333	\$ 3,157,333	\$ 3,157,334	\$ 1
Other property tax items	-	-	55,554	55,554
Non property tax items	5,446,864	5,446,864	6,127,796	680,932
Departmental income	1,000	1,000	200	(800)
Intergovernmental charges	215,000	215,000	269,281	54,281
Use of money and property	80,000	80,000	18,710	(61,290)
Sale of property and compensation for loss	-	28,952	34,428	5,476
Miscellaneous	-	-	42,004	42,004
State aid	775,000	775,000	837,651	62,651
Federal aid	14,000	14,000	20,509	6,509
Total revenues	<u>9,689,197</u>	<u>9,718,149</u>	<u>10,563,467</u>	<u>845,318</u>
<b>EXPENDITURES</b>				
Transportation	5,716,330	6,508,412	6,370,814	137,598
Home and community services	6,000	6,000	5,328	672
Employee benefits	2,489,026	2,194,806	2,178,414	16,392
Total expenditures	<u>8,211,356</u>	<u>8,709,218</u>	<u>8,554,556</u>	<u>154,662</u>
Excess of revenues over expenditures	<u>1,477,841</u>	<u>1,008,931</u>	<u>2,008,911</u>	<u>999,980</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	58,878	63,516	4,638
Transfers out	(1,985,615)	(1,713,250)	(1,713,250)	-
Total other financing sources (uses)	<u>(1,985,615)</u>	<u>(1,654,372)</u>	<u>(1,649,734)</u>	<u>4,638</u>
Net change in fund balance	(507,774)	(645,441)	359,177	1,004,618
Fund balance—beginning	<u>3,920,547</u>	<u>3,920,547</u>	<u>3,920,547</u>	<u>-</u>
Fund balance—ending	<u>\$ 3,412,773</u>	<u>\$ 3,275,106</u>	<u>\$ 4,279,724</u>	<u>\$ 1,004,618</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Revenues, Expenditures and Changes in Fund Balance—**  
**Budget and Actual—Sewer Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 10,558,210	\$ 10,558,210	\$ 10,558,585	\$ 375
Intergovernmental charges	454,200	454,200	384,371	(69,829)
Use of money and property	160,150	160,150	43,818	(116,332)
Sale of property and compensation for loss	-	1,200	8,364	7,164
Miscellaneous	-	-	87,342	87,342
Federal aid	8,000	8,000	10,180	2,180
Total revenues	<u>11,180,560</u>	<u>11,181,760</u>	<u>11,092,660</u>	<u>(89,100)</u>
<b>EXPENDITURES</b>				
Home and community services	8,699,613	8,719,708	8,193,624	526,084
Employee benefits	<u>1,843,754</u>	<u>1,844,859</u>	<u>1,577,805</u>	<u>267,054</u>
Total expenditures	<u>10,543,367</u>	<u>10,564,567</u>	<u>9,771,429</u>	<u>793,138</u>
Excess of revenues over expenditures	<u>637,193</u>	<u>617,193</u>	<u>1,321,231</u>	<u>704,038</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(994,000)</u>	<u>(974,000)</u>	<u>(885,254)</u>	<u>88,746</u>
Total other financing uses	<u>(994,000)</u>	<u>(974,000)</u>	<u>(885,254)</u>	<u>88,746</u>
Net change in fund balance	(356,807)	(356,807)	435,977	792,784
Fund balance—beginning	<u>5,941,032</u>	<u>5,941,032</u>	<u>5,941,032</u>	<u>-</u>
Fund balance—ending	<u>\$ 5,584,225</u>	<u>\$ 5,584,225</u>	<u>\$ 6,377,009</u>	<u>\$ 792,784</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Revenues, Expenditures and Changes in Fund Balance—**  
**Budget and Actual—Consolidated Garbage Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 8,749,798	\$ 8,749,798	\$ 8,749,798	\$ -
Other property tax items	170,000	170,000	219,350	49,350
Departmental income	125,000	125,000	141,516	16,516
Use of money and property	100,000	100,000	37,962	(62,038)
Miscellaneous	2,000	2,000	44,418	42,418
Federal aid	16,000	16,000	23,665	7,665
Total revenues	<u>9,162,798</u>	<u>9,162,798</u>	<u>9,216,709</u>	<u>53,911</u>
<b>EXPENDITURES</b>				
Home and community services	7,199,260	7,322,632	6,670,733	651,899
Employee benefits	2,410,538	2,450,682	2,132,337	318,345
Total expenditures	<u>9,609,798</u>	<u>9,773,314</u>	<u>8,803,070</u>	<u>970,244</u>
Excess of revenues over expenditures	<u>(447,000)</u>	<u>(610,516)</u>	<u>413,639</u>	<u>1,024,155</u>
<b>OTHER FINANCING USES</b>				
Transfers out	(413,000)	(413,000)	(413,000)	-
Total other financing uses	<u>(413,000)</u>	<u>(413,000)</u>	<u>(413,000)</u>	<u>-</u>
Net change in fund balance	(860,000)	(1,023,516)	639	1,024,155
Fund balance—beginning	<u>4,931,765</u>	<u>4,931,765</u>	<u>4,931,765</u>	<u>-</u>
Fund balance—ending	<u>\$ 4,071,765</u>	<u>\$ 3,908,249</u>	<u>\$ 4,932,404</u>	<u>\$ 1,024,155</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Statement of Fiduciary Net Assets—Fiduciary Fund**  
**December 31, 2010**

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**ASSETS**

Cash	\$ 261,392
Accounts receivable	1,565
Due from other governments	<u>790</u>
Total assets	<u>\$ 263,747</u>

**LIABILITIES**

Amounts held in custody for others	\$ 262,957
Due to other governments	<u>790</u>
Total liabilities	<u>\$ 263,747</u>

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

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Notes to the Financial Statements**  
**Year Ended December 31, 2010**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Cheektowaga, New York (the “Town”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town’s accounting policies are described below.

***Reporting Entity***

The Town is a unit of local government created by the State of New York. The Town operates under provisions of New York State law and various local laws. The seven-member Town Board is the legislative body responsible for overall operations. The Supervisor serves as both Chief Executive Officer and Chief Fiscal Officer.

Independently elected officials of the Town include:

Supervisor	Town Clerk
Councilmen (6)	Superintendent of Highways
Town Justices (2)	

The financial reporting entity is in accordance with Government Accounting Standards No. 14, *The Financial Reporting Entity*.

Units of local government which operate within the boundaries of the Town are the County of Erie, the Villages of Depew, Sloan, and Williamsville. Public education is provided by eight independent school districts within the Town.

**Discretely presented component units.** The Cheektowaga Economic Development Corporation (the “E.D.C.”) was formed June 10, 1983 pursuant to resolution of the Town Board, as a quasi-public local development corporation under the New York State Not-for Profit Corporation Law. The members of the governing board of the E.D.C. are appointed by the Town Board. The Town Board is able to impose its will on the E.D.C.; however the E.D.C. does not provide services to the primary government. Additional detailed information concerning the E.D.C. may be found in the E.D.C.’s annual financial report. This report may be obtained by writing to the Cheektowaga Economic Development Corporation, 275 Alexander Street, Cheektowaga, New York, 14211. This unit is reported in a separate column to emphasize that it is legally separate from the Town.

**Government-wide and Fund Financial Statements.** The government-wide financial statements (i.e., statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Indirect Expenses* have been included as part of the program expenses reported for the various functional activities. *Program revenues* include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items are not properly included among program revenues are reported instead as general revenues.

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

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation.*** The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when the underlying exchange transaction has occurred and the resources are available. For this purpose, the Town considers revenues to be available if the Town has collected the revenues in the current period or expects to collect them soon enough after the end of the period to use them to pay liabilities of the current period. The Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 are recorded only when payment is due.

Property taxes, sales taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. There were no significant revenues considered as not subject to accrual.

The Town considers the following governmental funds as major funds:

- *General Fund*—This is the principal operating fund of the Town and includes all operations not required to be recorded in other funds.
- *Highway Fund*—This is used to record all revenues and expenditures related to road maintenance and construction throughout the Town.
- *Sewer Fund*—This is used to record all revenues and expenditures related to operation and maintenance of the sewer district.
- *Consolidated Garbage Fund*—This fund is used to record all activity related to the garbage pickup and recycling within the Town.
- *Community Development Fund*—This is used to record all activity related to the Federal Housing and Urban Development Community Development program.

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

Additionally, the Town reports the following fiduciary fund type that is used to account for assets held by the Town in a custodial capacity:

*Fiduciary Fund*—The Agency Fund is used to account for assets held by the Town as an agent for individuals, other governments, or other funds. The Agency Fund is custodial in nature and does not involve measurement of results of operations. It does not have a measurement focus. The Agency Fund accounts, such as payroll withholdings, are reported as liabilities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments and charges between the Town's sewer and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues are those that cannot be associated directly with program activities.

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

***Budgets***—Annual budgets for all governmental funds, except the Community Development Fund, Special Purpose Fund and the Capital Projects fund, are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Encumbrances outstanding at year-end are accounted for on the lapsing method, which reappropriated encumbrances in the subsequent years' budget. Accordingly, the Town reserves fund balance for all encumbrances it intends to honor in the subsequent period.

The Community Development Fund, the Special Purpose Fund and the Capital Projects Fund appropriations are not included in the Town's annual budget. Instead appropriations are approved through a Town Board resolution at the grant/project's inception and lapse upon completion/termination of the grant/project.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of budgetary control in all governmental funds.

***Cash and Cash Equivalents***—Cash and cash equivalents include cash on hand, demand deposits, time deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash and have a maturity date within 90 days from the original date of purchase.

***Investments***—The Town had no investments at December 31, 2010; however, when the Town does have investments it is Town policy to record them at quoted market value.

***Compensated Absences***—The Town labor agreements and Town Board rules and regulations provide for sick leave, vacations, and miscellaneous other paid absences ("compensatory time"). Upon retirement, certain eligible employees qualify for paid hospitalization insurance premiums and/or payment for fractional values of unused sick leave and vacation. These payments are budgeted annually without accrual.

Estimated compensatory time accumulated by governmental fund type employees has been recorded. Payment of sick leave and compensatory time is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of sick leave and compensatory time when such payments become due.

**Capital Assets** - Capital assets, which include property, buildings, equipment and infrastructure assets (e.g. roads, bridges, drainage systems and similar items) are reported in the applicable governmental or business-type activities columns 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 two years. 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. All infrastructure assets in the Town have been recorded in the capital assets balances.

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

Property, plant, and equipment of the Town are depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Permanent fixtures	15-20
Machinery and equipment	
Automobiles	3-6
Computer software and equipment	5
Equipment	7-20
Heavy equipment	12
Office equipment and furniture	20
Infrastructure	
Bridges	30
Drainage	100
Highways	15
Storm sewer	40
Sewer and water systems	40
Traffic signals	15

**Post Retirement Benefits**—In addition to providing pension benefits, the Town provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement as discussed in Note 11.

**Prepaid Expenses**—Certain payments to the New York State retirement systems and to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Unearned/Deferred Revenues**—Certain revenues have not met the revenue recognition criteria for government-wide or fund purposes.

**Estimates**—The preparation of the financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures, assets, and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and during the reported period. Actual results could differ from those estimates.

**Future Impacts of Accounting Pronouncements**—The Town has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 59, *Financial Instruments Omnibus*, effective for the year ending December 31, 2011; GASB Statements No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for the year ending December 31, 2012; and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, effective for the year ending December 31, 2013. The Town is therefore unable to disclose the impact that adopting GASB Statements No. 54, 57, 59, 60, 61 and 62 will have on its financial position and results of operations when such statements are adopted.

During the year ended December 31, 2010, GASB Statements No. 51, *Accounting and Financial Reporting for Intangible Assets*; No. 53, *Accounting and Financial Reporting for Derivative Instruments*; and No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*, were implemented and had no material impact to the Town.

## 2. LEGAL COMPLIANCE—BUDGETS

**Budgets and Budgetary Accounting**—The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 30, the Town Supervisor files a “tentative” budget with the Town Clerk for the following fiscal year to commence on January 1<sup>st</sup>. This budget, which includes appropriations and estimated revenues, is then presented to the full Town Board by October 5<sup>th</sup>.
2. The full Town Board reviews the tentative budget and may adjust same before approving a “preliminary” budget and calling for a public hearing, which is generally held in October.
3. Following the public hearing, revisions may again be made by the Town Board before filing an adopted budget with Erie County by November 20<sup>th</sup>.
4. During the fiscal year, the Town Board can legally amend the operating budgets and is empowered to implement supplemental appropriations. Budget amendments are required for the departmental budgetary control. All budget amendments and budget transfers require Town Board approval. For the year ended December 31, 2010, supplemental appropriations of \$1,724,018 were approved in the governmental funds.

Individual governmental fund comparisons of budgetary and actual data at the legal level of control established by the adopted (i.e., minimally the department and account level) are not presented in this report for those funds with annual appropriated budgets due to the excessive detail involved. However, a separate budgetary comparison report is available which contains this information.

5. Annual budgets for governmental funds, except the special grants fund and capital projects fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Encumbrances outstanding at year-end are accounted for on the lapsing method, which reappropriated encumbrances in the subsequent years' budget. Accordingly, the Town reserves fund balance for all encumbrances it intends to honor in the subsequent period.
6. The Capital Projects Fund appropriations are not included in the Town's annual budget. Instead appropriations are approved through a Town Board resolution at the project's inception and lapse upon termination of the project.
7. Total expenditures for each object classification within a department may not legally exceed the total appropriations for that object classification.

### 3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Town's investment policies are governed by State statutes. In addition, the Town has its own written investment policy. Town monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Supervisor is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal government.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal government.

Cash at December 31, 2010 consisted of:

	Governmental Activities	Fiduciary Fund	Balance
Petty cash (uncollateralized)	\$ 6,900	\$ -	\$ 6,900
Deposits	<u>51,372,583</u>	<u>261,392</u>	<u>51,633,975</u>
Total	<u>\$51,379,483</u>	<u>\$ 261,392</u>	<u>\$ 51,640,875</u>

*Deposits*—All deposits are carried at fair value.

The following is a summary of deposits:

	Bank Balance	Carrying Balance
Insured (FDIC)	\$ 34,214,356	\$ 34,214,356
Uninsured:		
Collateral held by bank's agent in the Town's name	<u>17,531,099</u>	<u>17,419,619</u>
Total	<u>\$ 51,745,455</u>	<u>\$ 51,633,975</u>

**Custodial Credit Risk**—In the case of deposits, this is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. For investments, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments that are in the possession of an outside party. By State statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2010, all uninsured bank deposits were fully collateralized with securities held by the pledging financial institution’s trust department or agent in the Town’s name and all of the Town’s restricted cash in the form of investments was registered in the Town’s name.

At December 31, 2010, the Town had no investments.

**4. PROPERTY TAX**

The Erie County Legislature prepares the levy in late December of each year and jointly bills the Town levy and Erie County real property taxes. Property taxes are levied and become a lien as of January 1 based on assessed property values as of that date.

Tax payments are due January 1 to February 15 without penalty; February 16 to 28 a 1.5% penalty; March 1 to 15 a 3% penalty; March 16 to 31 a 4.5% penalty; April 1 to 17 a 6% penalty; April 18 to May 1 a 7.5% penalty. Once May 2, the 7.5% penalty fee is added to the levy forming the base of the tax then due. Thereafter, interest is added to the base at the rate of 1.5% per month on the 1<sup>st</sup> of each month, making 18.78% in all when unpaid taxes are sold in November.

The tax roll is returned to the Erie County Commissioner of Finance after May 1 at which time all unpaid taxes and penalties are payable to that office. The Town retains their full tax levies for all unpaid items are returned to the County. Thus, the Town is assured of receiving 100% of its tax levy. The County enforces all liens.

The Town also bills and collects taxes for various school districts within Town limits. Collections of the school district taxes and remittances of them are accounted for by the Receiver of Taxes, independent of Town operations.

**5. RECEIVABLES**

Major revenues accrued by the Town at December 31, 2010:

**Accounts Receivable**—represents franchise fees receivable and insurance deposits; other miscellaneous items are also included. Accounts receivable for the Town at December 31, 2010 are shown in the table below:

General Fund:		
Franchise fees	\$ 492,916	
Insurance deposits	103,438	
Other	<u>43,967</u>	\$ 640,321
Sewer Fund		16,544
Consolidated Garbage Fund		15,466
Other governmental funds		<u>6,707</u>
Total		<u>\$ 679,038</u>

***Due from Other Governments***—represents amounts due from other units of government, such as Federal, New York State, County of Erie, other local governments and amounts due from other Town departments (e.g. Town Justice, Town Clerk and Receiver of Taxes, etc.) who are acting as intermediary collecting agents, collecting various fines, fees and other charges which are remitted to the Town in accordance with State statute. Amounts due the Town at December 31, 2010 are:

General Fund:		
Sales tax due from Erie County	\$ 700,000	
State aid	428,659	
Fines and forfeitures	171,572	
Federal aid	254,869	
Miscellaneous	<u>66,072</u>	\$1,621,172
Highway Fund:		
Sales tax due from Erie County	2,550,279	
Prescription drug subsidy	<u>20,509</u>	2,570,788
Sewer Fund:		
N.F.T.A sewer billing	333,231	
Prescription drug subsidy	<u>10,180</u>	343,411
Consolidated Garbage Fund:		
Prescription drug subsidy		23,665
Community Development Fund:		
Community Development Block Grant		540,036
Capital Projects Fund:		
New York State aid	325,096	
Due from Erie County	294,860	
Miscellaneous	<u>160,458</u>	780,414
Other governmental funds		
Town clerk fees and other		<u>119,404</u>
		<u>\$5,998,890</u>

***Loans Receivable*** – Loans receivable within the Community Development Fund consist of loans which were made by the Community Development Office of the Town through implementation of the Community Development Block Grant program. The funds received from repayments of such loans will be used towards future Community Development Block Grant expenditures and the related programs implemented through such grant. The balance outstanding at December 31, 2010 is \$6,756,771.

Loans receivable of the Town’s component unit, the Cheektowaga E.D.C, totaled \$1,012,148, of which \$881,613 is secured by collateral security mortgages or security interest in specific equipment and assets. Such collateralized notes are term notes payable between 4 and 10 years with interest in the range of 2.6% to 6.2%. A note totaling \$130,535 is unsecured, bears interest at 2% and is payable on demand.

## 6. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables of the Town at December 31, 2010 consisted of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental activities:		
General Fund	\$ 597,826	\$ 498,843
Highway Fund	20,380	80,000
Sewer Fund	4,200	511,537
Community Development Fund	118,316	598,164
Capital Projects Fund	956,435	99,980
Other governmental funds	95,697	4,330
Total governmental activities	<u>\$ 1,792,854</u>	<u>\$ 1,792,854</u>

The outstanding balances between funds result from payments made on behalf of other funds or temporary advances.

The Town made the following transfers during 2010:

	Transfer in:				
	<u>Governmental activities</u>				
Transfer out:	<u>General Fund</u>	<u>Highway Fund</u>	<u>Capital Projects</u>	<u>Other Governmental</u>	<u>Total</u>
General Fund	\$ -	\$ -	\$ 369,100	\$ 1,011,727	\$ 1,380,827
Highway Fund	350,000	-	40,000	1,323,250	1,713,250
Sewer Fund	328,000	-	507,337	49,917	885,254
Consolidated Garbage Fund	413,000	-	-	-	413,000
Capital Projects Fund	-	63,516	-	319,112	382,628
Other governmental funds	43,000	-	265,383	517,773	826,156
Total governmental activities	<u>\$ 1,134,000</u>	<u>\$ 63,516</u>	<u>\$ 1,181,820</u>	<u>\$ 3,221,779</u>	<u>\$ 5,601,115</u>

Transfers are used primarily to move revenues from the fund responsible for paying debt to the debt service fund as debt service principal and interest become due and to move various fund revenues that the Town must account for in other funds in accordance with budgetary authorizations. Additionally, transfers from certain funds are used to finance various capital projects within the Capital Projects Fund.

## 7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows:

	Balance 1/1/2010	Additions	Deletions	Balance 12/31/2010
Capital assets, not being depreciated:				
Land	\$ 6,725,239	\$ -	\$ -	\$ 6,725,239
Construction in Progress	<u>1,326,843</u>	<u>3,171,335</u>	<u>(375,967)</u>	<u>4,122,211</u>
Total capital assets, not being depreciated	<u>8,052,082</u>	<u>3,171,335</u>	<u>(375,967)</u>	<u>10,847,450</u>
Capital assets, being depreciated:				
Buildings	18,124,566	1,059,186	-	19,183,752
Permanent fixtures	10,072,501	565,951	(71,772)	10,566,680
Machinery and equipment	24,786,785	2,003,331	(702,507)	26,087,609
Infrastructure	<u>58,211,314</u>	<u>4,055,160</u>	<u>-</u>	<u>62,266,474</u>
Total capital assets, being depreciated	<u>111,195,166</u>	<u>7,683,628</u>	<u>(774,279)</u>	<u>118,104,515</u>
Less accumulated depreciation for:				
Buildings	(7,833,488)	(384,800)	-	(8,218,288)
Permanent fixtures	(4,112,569)	(425,719)	71,772	(4,466,516)
Machinery and equipment	(15,045,306)	(1,437,735)	663,857	(15,819,184)
Infrastructure	<u>(25,489,367)</u>	<u>(1,963,267)</u>	<u>-</u>	<u>(27,452,634)</u>
Total accumulated depreciation	<u>(52,480,730)</u>	<u>(4,211,521)</u>	<u>735,629</u>	<u>(55,956,622)</u>
Total capital assets, being depreciated, net	<u>58,714,436</u>	<u>3,472,107</u>	<u>(38,650)</u>	<u>62,147,893</u>
Governmental activities capital assets, net	<u>\$ 66,766,518</u>	<u>\$ 6,643,442</u>	<u>\$ (414,617)</u>	<u>\$ 72,995,343</u>

Depreciation expense was charged to functions of the governmental activities as follows:

Governmental activities:	
General government support	\$ 320,658
Public safety	319,245
Transportation	1,461,434
Culture and recreation	737,034
Home and community service	<u>1,373,150</u>
Total governmental activities depreciation expense	<u>\$ 4,211,521</u>

The component unit of the Town, the Cheektowaga E.D.C., does not own land, buildings, equipment or infrastructure. Therefore, no amounts are included within its balance sheet.

## 8. SHORT-TERM DEBT

Short-term debt of the Town represents bond anticipation notes. These notes are reported as a fund liability in the fund receiving the proceeds in accordance with the criteria set forth in Financial Accounting Standards Board Statement No. 6, *Classification of Short-Term Obligations Expected to be Refinanced*, because legal steps have not been taken to refinance the notes on a long-term basis.

The following is a summary of changes in short-term debt for the year ended December 31, 2010:

Description	Maturity Date	Interest Rate	Balance 1/1/2010	Issued	Payments	Balance 12/31/2010
Various purposes	July 21, 2011	0.55%	\$ -	\$ 8,300,000	\$ -	\$ 8,300,000

## 9. INDEBTEDNESS

*Summary of Changes in Long-Term Debt*—The following is a summary of changes in long-term debt for the year ended December 31, 2010:

	Balance 1/1/2010	Additions	Deletions	Balance 12/31/2010	Due Within One Year
Serial bonds	\$ 13,415,000	\$ 4,510,000	\$ 6,610,000	\$ 11,315,000	\$ 1,935,000
Capital leases	4,592,826	-	339,951	4,252,875	362,975
Claims & judgements	3,520,000	-	370,000	3,150,000	150,000
Compensated absences	11,484,382	1,106,236	1,338,418	11,252,200	562,610
OPEB obligation	17,206,340	13,626,922	4,112,354	26,720,908	-
	<u>\$ 50,218,548</u>	<u>\$ 19,243,158</u>	<u>\$ 12,770,723</u>	<u>\$ 56,690,983</u>	<u>\$ 3,010,585</u>

A summary of the Town's serial bonds follows:

	Original Issue Amount	Year Issued - Maturity	Interest Rate	Principal Outstanding 1/1/2010	Issued 2010	Payments 2010	Principal Outstanding 12/31/2010
<b>General Fund</b>							
General Fund projects	\$ 1,765,000	1995-2010	5.20	\$ 88,200	\$ -	\$ 88,200	\$ -
Various improvements	1,707,500	1997-2012	5.13-5.20	405,000	-	405,000	-
Fuel storage tank	180,000	1999-2014	4.40-4.60	64,000	-	64,000	-
General Fund projects	4,650,000	2001-2016	3.70-4.30	1,905,300	-	1,905,300	-
Refunding serial bonds	2,487,855	2003-2014	2.00-3.75	1,001,400	-	201,600	799,800
Recreational park improvements	500,000	2005-2020	3.75-3.80	385,500	-	30,500	355,000
Various park improvements	200,000	2005-2015	3.75-3.80	132,000	-	20,000	112,000
Pedestrian bridge demolition	50,000	2005-2015	3.75-3.80	33,000	-	5,000	28,000
General Fund refunding bonds	1,978,055	2010-2016	2.25-4.00	-	1,978,055	-	1,978,055
				<u>4,014,400</u>	<u>1,978,055</u>	<u>2,719,600</u>	<u>3,272,855</u>
<b>Highway Fund</b>							
Road reconstruction/resurfacing	\$ 2,000,000	1995-2010	5.20-5.60	149,100	-	149,100	-
Highway Fund projects	1,800,000	1997-2012	5.13-5.20	426,600	-	426,600	-
Highway Fund projects	2,500,000	1999-2014	4.40-4.60	813,500	-	813,500	-
Highway Fund projects	2,500,000	2001-2016	3.70-4.30	1,183,400	-	1,183,400	-
Refunding serial bonds	192,826	2003-2013	2.00-3.63	18,400	-	4,600	13,800
Road reconstruction/resurfacing	2,000,000	2005-2020	3.75-3.80	1,541,200	-	121,900	1,419,300
Sidewalk/highway drainage	500,000	2005-2020	3.75-3.80	385,500	-	30,500	355,000
Highway equipment	3,500,000	2006-2016	3.88-4.00	2,600,000	-	350,000	2,250,000
Highway Fund refunding bonds	1,973,953	2010-2016	2.25-4.00	-	1,973,953	-	1,973,953
				<u>7,117,700</u>	<u>1,973,953</u>	<u>3,079,600</u>	<u>6,012,053</u>
<b>Special Districts</b>							
Sewer District 8	\$ 170,000	1995-2010	5.20-5.60	12,700	-	12,700	-
Sewer District 7	290,000	1997-2012	5.13-5.20	68,400	-	68,400	-
Master Drainage District	700,000	1999-2014	4.40-4.60	247,500	-	247,500	-
Consolidated Sewer project	700,000	2001-2016	3.70-4.30	361,300	-	361,300	-
Refunding Serial Bonds - Sewer	39,789	2003-2013	2.00-3.63	17,200	-	4,300	12,900
Refunding Serial Bonds - Drainage	19,813	2003-2013	2.00-3.63	8,400	-	2,100	6,300
Refunding Serial Bonds - Garbage	209,717	2003-2013	2.00-3.63	89,600	-	22,400	67,200
Alpine Sewer EFC Bond	752,825	2004-2034	1.20-5.15	630,000	-	25,000	605,000
Anderson road drainage	1,100,000	2005-2020	3.75-3.80	847,800	-	67,100	780,700
Sewer Fund refunding bonds	357,782	2010-2016	2.25-4.00	-	357,782	-	357,782
Drainage Fund refunding bonds	200,210	2010-2014	2.25-4.00	-	200,210	-	200,210
				<u>2,282,900</u>	<u>557,992</u>	<u>810,800</u>	<u>2,030,092</u>
<b>GRAND TOTAL</b>				<u>\$ 13,415,000</u>	<u>\$ 4,510,000</u>	<u>\$ 6,610,000</u>	<u>\$ 11,315,000</u>

**Current Year's Advanced Refunding**—During the current year, the Town issued \$4,510,000 in Refunding Serial Bonds, which collectively refund the previously issued Various Purpose Serial - 1997, Public Improvement Bonds - 1999 and Public Improvement Bonds - 2001 bonds. The interest on the 2010 bonds ranges from 2.25% to 4.00%. The total net proceeds of \$4,594,067 (after deductions for net issuance costs, including underwriters discount) were used to purchase non-callable, direct obligations of the United States of America, with the remaining cash proceeds from the sale of the bonds, and placed in an irrevocable trust fund to pay for all future debt service payments of the original bonds. As a result, the previously issued Various Purpose Serial - 1997, Public Improvement Bonds - 1999 and Public Improvement Bonds - 2001 bonds are considered fully refunded and the liability of those bonds, the outstanding balance at the time of the 2010 refinancing totaled \$4,475,000 and has been removed from the financial statements. The 2010 refinancing resulted in an estimated economic gain of \$229,060.

**Prior Years' Advanced Refunding**—In prior years, the Town advanced refunded \$2,750,000 of serial bonds that were originally issued in 1993 and 1994 for various purposes. The bond proceeds were placed in an irrevocable trust fund with an escrow agent to provide for all future debt service payments on the 1993 and 1994 Bonds. As a result, the 1993 and 1994 Bonds were considered to be defeased, and the December 31, 2010 financial statements do not reflect the obligation, now equal to \$900,000, in its financial statements.

**Capital Leases**—The Town entered into a long-term capital lease for certain energy related equipment and machinery. During the year ended December 31, 2007, an amendment to the amended lease agreement totaling \$1,415,780, of which \$387,745 represents imputed interest costs, was entered into. The present value of the amended lease at December 31, 2010 is \$4,252,875. A \$4,252,875 liability has been recorded within the Town's governmental activities. The assets acquired through the capital lease are as follows:

	<u>Governmental Activities</u>
Assets:	
Machinery and equipment	\$ 5,724,738
Less: Accumulated depreciation	<u>(551,301)</u>
Total	<u>\$ 5,173,437</u>

Payments on the original lease commenced January 15, 2005 and are due every six months thereafter (payment dates are January 15 and July 15). Total payments range between \$48,820 and \$279,072 with final payment due January 15, 2022. The implicit rate ranges from 2.35% to 5.5%. The obligation under the lease can be summarized as follows:

Year ended December 31,	<u>Governmental Activities</u>
2011	\$ 558,144
2012	558,144
2013	558,144
2014	558,144
2015	558,144
2016-2020	2,395,068
2021-2022	<u>146,459</u>
Total minimum lease payments	5,332,247
Less: Amount representing imputed interest costs	<u>(1,079,372)</u>
Present value of minimum lease payments	<u>\$ 4,252,875</u>

**Judgments, Claims and Postclosure Costs**—The Town is responsible to perform specified operation and maintenance function at a landfill site for a period of thirty (30) years. At December 31, 2010, the related postclosure liability approximates \$3,150,000. Other estimated claims and judgments amounted to \$3,621,496 at December 31, 2010 and have been included as accrued liabilities within the General Fund. See Note 15.

**Compensated Absences**—As explained in Note 1, the Town records the value of compensated absences. The annual budgets of the General, Highway, Sewer and Consolidated Garbage funds provide funding for these benefits as they become payable. The value recorded in the government-wide financial statements at December 31, 2010, for governmental activities is \$11,252,200. This amount has been recorded as a non-current liability due within more than one year since payment of compensated absences are dependent upon many factors, therefore, timing of future payments is not readily determinable.

**OPEB Obligation**—As explained in Note 11, the Town provides health insurance coverage for retirees. The Town’s annual postemployment benefit (“OPEB”) cost is calculated based in the annual required contributions of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The estimated long-term OPEB liability is estimated to be \$26,720,908 at December 31, 2010. Typically, the Town’s General, Consolidated Garbage, Sewer, Highway and Town Outside Village funds have been responsible for the contributions made to the OPEB liability.

Remaining annual maturities of long-term debt, by debt type follows:

Year	Serial Bonds Principal	Leases Payable	Claims and Postclosure Costs	Compensated Absences	OPEB Obligation	Total
2011	\$ 1,935,000	\$ 362,975	\$ 150,000	\$ 562,610	\$ -	\$ 3,010,585
2012	1,965,000	380,212	-	-	-	2,345,212
2013	1,655,000	398,269	-	-	-	2,053,269
2014	1,590,000	417,184	-	-	-	2,007,184
2015	1,225,000	436,997	-	-	-	1,661,997
2016-2020	2,590,000	2,117,202	-	-	-	4,707,202
2021-2025	125,000	140,036	-	-	-	265,036
2026-2030	125,000	-	-	-	-	125,000
2031-2035	105,000	-	-	-	-	105,000
Various	-	-	3,000,000	10,689,590	26,720,908	40,410,498
Total	\$ 11,315,000	\$ 4,252,875	\$ 3,150,000	\$ 11,252,200	\$ 26,720,908	\$ 56,690,983

Interest requirements on serial bond payable are as follows:

Year	Serial Bonds Interest
2011	\$ 382,149
2012	317,462
2013	255,742
2014	196,675
2015	143,469
2016-2020	304,971
2021-2025	74,475
2026-2030	43,052
2031-2035	11,202
Total	\$ 1,729,197

## 10. PENSION PLANS

**Plan Description**—The Town participates in the New York and Local Employees’ Retirement System (“ERS”), the New York State and Local Police and Fire Retirement System (“PFRS”) and the Public Employees’ Group Life Insurance Plan (“Systems”). These are cost-sharing multiple-employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (“NYSRSSL”). As set forth in the NYSRSSL, the Comptroller of the State of New York (“Comptroller”) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244.

**Funding Policy**—The Systems are noncontributory except for employees who joined the New York State and Local Employees’ Retirement System after July 27, 1976 who contribute 3% of their salary. The State Legislature passed legislation in 2000 that suspends the 3% contribution for employees who have ten years of service or more of credited service. Employees hired after January 1, 2010 are required to contribute 3% of their salary for the duration of employment. Additionally, members who meet certain eligibility requirements will receive one month additional service credit for each completed year of service up to a maximum of two additional years of service credit. Under the authority of the NYSRSSL, the Comptroller annually certifies the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers.

The Town is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

	<u>ERS</u>	<u>PFRS</u>
2010	\$2,014,105	\$2,031,397
2009	1,364,498	1,900,544
2008	1,461,198	1,866,118

Chapter 49 of the Laws of 2003 of the State of New York was enacted which made the following changes to the Systems:

- ◆ Requires minimum contributions by employers of 4.5 percent of payroll every year, including years in which the investment performance would make a lower contribution possible.
- ◆ Changes the cycle of annual billing such that the contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1<sup>st</sup> (e.g., billings due February 2010 would be based on the pension value as of March 31, 2009).

Legislation requires participating employers to make payments on a current basis. The Town’s contributions made to the Systems were equal to 100 percent of the contributions required for each year, and has not bonded or amortized any of the excess amounts.

## 11. OTHER POSTEMPLOYMENT BENEFITS

**Plan Description**—In addition to providing pension benefits, the Town provides health insurance coverage and/or payment for fractional values of unused sick leave to eligible retired employees. Substantially all of the Town’s full-time employees may become eligible for these benefits upon retirement. The value of the employee’s unused compensatory time is used as the basis for the Town’s liability. The Town is obligated to pay such benefits as a result of union contracts and Town Board rules and regulation for nonunion employees. Health care benefits are provided through insurance companies whose premiums are based on the benefits paid during the year. There is no separate, audited GAAP-basis postemployment benefit plan report available. There were 277 retirees receiving health care benefits at December 31, 2010.

**Funding Policy**—Authorization for the Town to pay retiree health insurance premiums was enacted by through union contracts, which are approved by the Town Board. Retirees that meet the age and years of service requirements are not required to contribute to postretirement healthcare benefits. Additionally, retirees in Management Union groups are not required to contribute to postretirement dental and vision benefits. Spouses receive the same benefits as the retiree. Surviving spouses are permitted to continue coverage at no cost and at the cost of 100% the premium for Management Union groups and non-Management Union groups respectively.

The Town’s annual OPEB cost is calculated based on the annual required contributions (“ARC”) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed thirty years.

The following table shows the components of the Town’s annual OPEB cost for the past two years, the amount actually contributed to the plan, and the changes in the Town’s net OPEB obligation.

	2010	2009
Annual required contribution	\$ 13,908,961	\$ 12,426,481
Interest on net OPEB obligation	774,285	-
Adjustment to annual required contribution	<u>(1,056,324)</u>	<u>-</u>
Annual OPEB costs (expense)	13,626,922	12,426,481
Contributions made	<u>(4,112,354)</u>	<u>(4,054,858)</u>
Increase in net OPEB obligation	9,514,568	8,371,623
Net OPEB obligation - beginning of year	<u>17,206,340</u>	<u>8,834,717</u>
Net OPEB obligation - end of year	<u>\$ 26,720,908</u>	<u>\$ 17,206,340</u>

As of January 1, 2010, the most recent actuarial valuation date, the plan was not funded. Since there were no assets, the unfunded actuarial liability for benefits was \$145,423,580.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**Funding Status and Funding Progress**—As of December 31, 2010, the Town has had two actuarial valuations performed. Accordingly, information from the study is presented in the Town’s Schedule of Funding Progress and the Schedule of the Town’s Contributions below.

The Town’s Schedule of Funding Progress is presented below:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability ("AAL")	Unfunded AAL ("UAAL")	Funded Ratio	Covered Payroll	Ratio of UAAL to Budget Covered Payroll
As of January 1, 2010	\$ -	\$ 145,423,580	\$ 145,423,580	-	\$ 31,184,968	4.66
As of January 1, 2008	\$ -	\$ 128,887,628	\$ 128,887,628	-	\$ 30,238,917	4.26

The Schedule of the Town’s Contributions is shown below:

Year Ended December 31,	Annual OPEB Cost	Contributions Made	Percentage Contributed
2010	\$ 13,626,922	\$ 4,112,354	30.2%
2009	12,426,481	4,054,858	32.6%
2008	12,426,481	3,591,764	28.9%

**Actuarial Methods and Assumptions**—Calculations are based on the types of benefits provided under the terms of the substantive plan, the plan as understood by the employer and the plan members, at the time of the valuation and on the pattern of cost sharing between the employee and plan members. The projection of benefits does not incorporate the potential effect of a change in the pattern of cost sharing between the employer and plan members in the future. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the January 1, 2010 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a valuation date of January 1, 2010 and measurement date of December 31, 2010. The expected investment rate of return on employer’s assets is 4.5%. The rate is based on the projected long-term earning rate of the assets expected to be available to pay benefits. Since the Town does not currently segregate funding for these benefits, the appropriate rate is the expected return on the employer’s assets. The expected inflation rate is 3.25%. The RP-2000 Mortality Table for males and females is used for mortality rates. The rates of decrement due to disability are assumed to be zero. The assumed rates of increase in health care vary from 5.0% to 11.0% and the administrative fees are assumed to increase at 3.0% per year. The unfunded actuarial accrued liability is being amortized over 30 years on a level dollar open basis, therefore the remaining amortization period at December 31, 2010 was twenty-seven years.

## 12. AGENCY FUND

An agency fund exists for employee withholding and temporary deposit funds. The following is a summary of changes in assets and liabilities during the year ended December 31, 2010:

	Balance 1/1/2010	Additions	Deletions	Balance 12/31/2010
<b>ASSETS</b>				
Cash	\$ 285,817	\$ 18,534,701	\$ (18,559,126)	\$ 261,392
Accounts receivable	10,694	1,565	(10,694)	1,565
Due from other governments	1,313	790	(1,313)	790
Total assets	<u>\$ 297,824</u>	<u>\$ 18,537,056</u>	<u>\$ (18,571,133)</u>	<u>\$ 263,747</u>
<b>LIABILITIES</b>				
Amounts held in custody for others	\$ 264,742	\$ 18,536,266	\$ (18,538,051)	\$ 262,957
Due to other governments	33,082	790	(33,082)	790
Total liabilities	<u>\$ 297,824</u>	<u>\$ 18,537,056</u>	<u>\$ (18,571,133)</u>	<u>\$ 263,747</u>

## 13. LABOR RELATIONS

Town employees are represented by five bargaining units with the balance governed by Town Board rules and regulations. The Employees Association, Police Club, Public Safety Dispatchers Association and the Captains and Lieutenants' have unsettled contracts and are in negotiations as of December 31, 2010. The Supervisory Unit has a contract negotiated through December 31, 2012.

## 14. NET ASSETS, RESERVES AND DESIGNATIONS

The government wide financial statements utilize a net assets presentation. Net Assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

- **Investment in Capital Assets, Net of Related Debt**—This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Capital assets, net of accumulated depreciation	\$ 72,995,343
Related debt:	
Serial bonds issued	(11,315,000)
Unspent proceeds from serial bonds	86,770
Bond anticipation notes issued for capital	(8,300,000)
Unspent proceeds from bond anticipation notes	<u>3,796,418</u>
Debt issued issued for capital assets	(15,731,812)
Bond issue premium, net of costs and discounts	(6,348)
Capital leases	<u>(4,252,875)</u>
Investment in capital assets, net of related debt	<u>\$ 53,004,308</u>

- ***Restricted Net Assets***—This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The Town has \$2,136,124 of net assets restricted for debt service.
- ***Unrestricted Net Assets***—This category represents net assets of the Town not restricted for any project or other purpose.

In the fund financial statements, reservations that represent portions of fund balance that have been legally segregated for a specific use or is not appropriate for expenditure by the Town at December 31, 2010, and include:

- ***Reserved for Encumbrances***—representing funds accumulated for commitments related to unperformed contracts or purchase orders for goods or services.
- ***Reserved for Insurance***—represents reserve established in accordance with section 6-n of the General Municipal Law and will be used to pay claims, actions or judgments against the Town that results from personal injuries or property damage; to pay self-insured workers' compensation claims and expenses in excess of claims and expenses paid from current appropriations; and to pay non-insured unemployment losses.
- ***Reserved for Debt Service***—represents amounts restricted for the reduction of future debt service requirements.
- ***Reserved for Prepaid Items***—represents fund balance reserved due to prepaid assets.

Unreserved represents fund balance for which there are no restrictions on its use.

Designations represent unreserved fund balance for which there is intent by the Town to use fund balance for a specific purpose. Designations of fund balance at December 31, 2010 include:

- ***Designated for Capital Projects***—represents funds designated for use for future capital project expenditures.
- ***Designated for Equipment***—represents funds to be used for the purchase of various equipment.
- ***Designated for Pollution Remediation***—represents funds to be used to assist in future obligations relating to pollution remediation.
- ***Designated for Building Demolition***—represents funds to be used for the demolition of a Town building.
- ***Designated for Subsequent Year's Expenditures***—represents funds to be used to assist in supporting the subsequent year's authorized appropriations.

A summary of unreserved fund balance by governmental fund follows:

Fund	Unreserved, Designated for						Total Unreserved
	Unreserved, Undesignated	Capital Projects	Equipment	Pollution Remediation	Building Demolition	Subsequent Year's Expenditures	
General	\$ 8,987,445	\$5,620,000	\$ -	\$ -	\$ -	\$2,550,000	\$ 17,157,445
Highway	1,357,172	-	1,800,000	-	-	900,000	4,057,172
Sewer	1,964,919	1,000,000	-	2,700,000	-	600,348	6,265,267
Consolidated garbage	4,144,302	-	-	-	-	565,000	4,709,302
Community development	190,428	-	-	-	-	-	190,428
Capital projects	(16,218,058)	-	-	-	-	-	(16,218,058)
Special purpose	686,824	-	-	-	-	-	686,824
Town outside village	1,718,336	-	-	-	115,600	125,000	1,958,936
Lighting district	1,105,486	-	-	-	-	275,000	1,380,486
Master drainage	368,342	-	-	-	-	11,000	379,342
Water hydrant	400,273	-	-	-	-	56,530	456,803
<b>Total</b>	<b>\$ 4,705,469</b>	<b>\$ 6,620,000</b>	<b>\$ 1,800,000</b>	<b>\$ 2,700,000</b>	<b>\$ 115,600</b>	<b>\$ 5,082,878</b>	<b>\$ 21,023,947</b>

## 15. CONTINGENCIES

**Judgments and Claims**—The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town decided to stop carrying commercial workers' compensation insurance because of its prohibitive cost and began covering all related claim settlements and judgments out of its resources. The Town purchases insurance coverage for workers' compensation claims in excess of \$450,000. The Town also retains risk related to general liability. All other risks of loss are covered through the purchase of commercial insurance. There have been no significant reductions in the levels of commercial insurance from the prior year, nor have there been any settlements which exceeded insurance coverage for each of the past three fiscal years. The Town currently reports all of its risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Current liabilities are accrued within the General Fund. Total claims, judgments and workers' compensation insurance expenditures of \$3,621,496 were recorded in the General Fund for the year ended December 31, 2010.

At December 31, 2010, the current liability portion of judgments and claims, including workers' compensation claims, was \$3,621,496. These are considered to be due and payable at December 31, 2010 and are recorded as a portion of accrued liabilities in the General Fund since they are expected to be liquidated with current financial resources. Changes in the reported liability since December 31, 2008 resulted from the following:

Year Ended December 31,	Liability, Beginning of Year	Claims and Changes in Estimates	Claim Payments	Liability, End of Year
2010	\$ 6,304,105	\$ 301,652	\$ 2,984,261	\$ 3,621,496
2009	3,601,040	7,218,555	4,515,490	6,304,105

The Town has claims in the range of \$170,000 to \$285,000 which are probable of a future loss. The low end of the range, \$170,000, has been included within the Town's liability at the end of the year. The Town has claims in the range of \$68,000 to \$182,000 classified as reasonably possible. At December 31, 2010, a portion of the General Fund fund balance was reserved for purpose of funding the Town's future liability and casualty claim liabilities and, is included within the Town's reserve for insurance totaling \$1,230,042.

**Landfill Postclosure**—The Town is responsible to perform specified operation and maintenance functions at a landfill site for a period of (30) years. In 1993, the landfill was classified for cleanup by the United States Environmental Protection Agency as Superfund site NYD980507495. The site is being addressed in two stages, an interim remedial measure and a long-term remedial action phase focusing on the cleanup of the entire site. The interim remedial measure was completed in 1995. During 2010, costs related to these functions approximated \$69,665. At December 31, 2010, the liability approximates \$3,150,000 which is based on 100% usage of the landfill. The landfill postclosure care liability is an estimate and is subject to changes resulting from inflation, deflation, technology or changes in applicable laws or regulations.

**Assessments**—The Town is a defendant in various litigation under Article 7 of the Real Property Tax Law of the State of New York to review tax assessments. While the Town vigorously defends assessments, the likelihood of success is on a case-by-case basis, and is dependent upon many factors including market values and appraised amounts. Current assessment challenges request relief of \$2,604,345. However, the potential loss cannot be estimated. Management believes that the level of such potential loss, if any, would be immaterial and no provisions have been made within the financial statements.

**Grants**—In the normal course of operations, the Town receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any disallowed expenditures resulting from such audits could become a liability of the governmental funds. While the amount of any expenditures which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

**Pollution Remediation Obligations**—On January 31, 2008, the Town was issued a consent order by the New York State Department of Environmental Conservation. As part of the consent order the Town has submitted a plan for the abatement of the overflow of sanitary sewer discharge prior January 31, 2010. As of the date of this report, the Town has not received a response to its plan for the abatement of the overflow of sanitary sewer discharge. As of December 31, 2010 the Town is unable to determine the range or the likelihood of any potential liability as a result of the consent order.

**Other**—The Town is involved in litigation arising in the ordinary course of its operations. The Town believes that its ultimate liability, if any, in connection with these matters will not have a material effect on the Town's financial condition or results of operations.

## 16. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 8, 2011, which is the date that financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

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COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES



# FINANCIAL STATEMENTS OF NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

**Special Purpose Special Revenue Fund**—maintains those funds that are handled by the Town deposited on behalf of another party and designated for a specified purpose.

**Town Outside Village Special Revenue Fund**—accounts for selected services which by New York State Statute cannot be charged to residents of the Village located within the Town.

**Nonmajor Special Districts Special Revenue Fund**—funds that maintain various systems throughout the Town but are not considered a major fund.

- **Lighting District Fund**—accounts for lighting services provided to areas within the Town
- **Master Drainage Fund**—accounts for the maintenance of the Town's street drainage system
- **Water Hydrant District Fund**—accounts for maintaining the fire hydrant's throughout the Town

**Debt Service Fund**—is used to account for the payment of principal and interest on serial bonds within all governmental funds.



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**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Combining Balance Sheet—Nonmajor Governmental Funds**  
**December 31, 2010**

	<u>Special Revenue</u>			<u>Total Special Revenue</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Special Purpose Fund</u>	<u>Town Outside Village Fund</u>	<u>Nonmajor Special Districts</u>			
<b>ASSETS</b>						
Cash and cash equivalents	\$ 679,730	\$ 2,014,098	\$ 2,486,520	\$ 5,180,348	\$ 2,056,523	\$ 7,236,871
Accounts receivable	32	-	6,675	6,707	-	6,707
Due from other funds	11,427	4,669	-	16,096	79,601	95,697
Due from other governments	-	119,404	-	119,404	-	119,404
Prepaid items	-	26,654	-	26,654	-	26,654
Total assets	<u>\$ 691,189</u>	<u>\$ 2,164,825</u>	<u>\$ 2,493,195</u>	<u>\$ 5,349,209</u>	<u>\$ 2,136,124</u>	<u>\$ 7,485,333</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 35	\$ 66,242	\$ 208,201	\$ 274,478	\$ -	\$ 274,478
Accrued liabilities	-	101,974	-	101,974	-	101,974
Due to other funds	4,330	-	-	4,330	-	4,330
Due to other governments	-	10,715	26,363	37,078	-	37,078
Total liabilities	<u>4,365</u>	<u>178,931</u>	<u>234,564</u>	<u>417,860</u>	<u>-</u>	<u>417,860</u>
Fund Balances:						
Reserved for:						
Encumbrances	-	304	42,000	42,304	-	42,304
Debt service	-	-	-	-	2,136,124	2,136,124
Prepaid items	-	26,654	-	26,654	-	26,654
Unreserved, designated for						
building demolition	-	115,600	-	115,600	-	115,600
Unreserved, designated for subsequent						
years' expenditures, reported in nonmajor:						
Town outside village fund	-	125,000	-	125,000	-	125,000
Lighting district fund	-	-	275,000	275,000	-	275,000
Master drainage fund	-	-	11,000	11,000	-	11,000
Water hydrant fund	-	-	56,530	56,530	-	56,530
Unreserved, undesignated,						
reported in nonmajor:						
Special purpose fund	686,824	-	-	686,824	-	686,824
Town outside village fund	-	1,718,336	-	1,718,336	-	1,718,336
Lighting district fund	-	-	1,105,486	1,105,486	-	1,105,486
Master drainage fund	-	-	368,342	368,342	-	368,342
Water hydrant fund	-	-	400,273	400,273	-	400,273
Total fund balances	<u>686,824</u>	<u>1,985,894</u>	<u>2,258,631</u>	<u>4,931,349</u>	<u>2,136,124</u>	<u>7,067,473</u>
Total liabilities and fund balances	<u>\$ 691,189</u>	<u>\$ 2,164,825</u>	<u>\$ 2,493,195</u>	<u>\$ 5,349,209</u>	<u>\$ 2,136,124</u>	<u>\$ 7,485,333</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2010**

	<u>Special Revenue</u>			<u>Total Special Revenue</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Special Purpose Fund</u>	<u>Town Outside Village Fund</u>	<u>Nonmajor Special Districts</u>			
<b>REVENUES</b>						
Real property taxes	\$ -	\$ -	\$ 3,639,759	\$ 3,639,759	\$ -	\$ 3,639,759
Other property tax items	-	-	3,106	3,106	-	3,106
Non property tax items	-	1,353,136	-	1,353,136	-	1,353,136
Use of money and property	2,817	5,827	15,848	24,492	133,889	158,381
Licenses and permits	-	500,745	-	500,745	-	500,745
Sale of property and compensation for loss	-	18	1,560	1,578	-	1,578
Miscellaneous	144,252	415	15,583	160,250	-	160,250
Federal aid	-	2,227	-	2,227	-	2,227
Total revenues	<u>147,069</u>	<u>1,862,368</u>	<u>3,675,856</u>	<u>5,685,293</u>	<u>133,889</u>	<u>5,819,182</u>
<b>EXPENDITURES</b>						
Current:						
Public safety	-	1,214,641	-	1,214,641	-	1,214,641
Culture and recreation	15,896	-	-	15,896	-	15,896
Home and community services	101,761	42,366	2,866,654	3,010,781	-	3,010,781
Employee benefits	-	611,327	160,228	771,555	-	771,555
Debt service:						
Principal—serial bonds	-	-	-	-	2,135,000	2,135,000
Principal—capital leases	-	-	-	-	339,951	339,951
Interest	-	-	-	-	673,226	673,226
Total expenditures	<u>117,657</u>	<u>1,868,334</u>	<u>3,026,882</u>	<u>5,012,873</u>	<u>3,148,177</u>	<u>8,161,050</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,412</u>	<u>(5,966)</u>	<u>648,974</u>	<u>672,420</u>	<u>(3,014,288)</u>	<u>(2,341,868)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	3,221,779	3,221,779
Transfers out	-	(43,000)	(508,156)	(551,156)	(275,000)	(826,156)
Proceeds of advanced refunding bond issuance	-	-	-	-	4,510,000	4,510,000
Premium on advanced refunding bond issuance	-	-	-	-	84,067	84,067
Payments to escrow for advanced refunding	-	-	-	-	(4,594,067)	(4,594,067)
Total other financing sources (uses)	<u>-</u>	<u>(43,000)</u>	<u>(508,156)</u>	<u>(551,156)</u>	<u>2,946,779</u>	<u>2,395,623</u>
Net change in fund balances	29,412	(48,966)	140,818	121,264	(67,509)	53,755
Fund balances—beginning	<u>657,412</u>	<u>2,034,860</u>	<u>2,117,813</u>	<u>4,810,085</u>	<u>2,203,633</u>	<u>7,013,718</u>
Fund balances—ending	<u>\$ 686,824</u>	<u>\$ 1,985,894</u>	<u>\$ 2,258,631</u>	<u>\$ 4,931,349</u>	<u>\$ 2,136,124</u>	<u>\$ 7,067,473</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance—**  
**Budget and Actual—Town Outside Village Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Non-property taxes	\$ 1,353,136	\$ 1,353,136	\$ 1,353,136	\$ -
Use of money and property	20,000	20,000	5,827	(14,173)
Licenses and permits	400,000	474,394	500,745	26,351
Miscellaneous	-	-	433	433
Federal aid	500	500	2,227	1,727
Total revenues	<u>1,773,636</u>	<u>1,848,030</u>	<u>1,862,368</u>	<u>14,338</u>
<b>EXPENDITURES</b>				
General government support	40,000	40,000	-	40,000
Public safety	1,136,203	1,231,276	1,214,641	16,635
Home and community services	46,928	46,928	42,366	4,562
Employee benefits	<u>609,206</u>	<u>588,527</u>	<u>611,327</u>	<u>(22,800)</u>
Total expenditures	<u>1,832,337</u>	<u>1,906,731</u>	<u>1,868,334</u>	<u>38,397</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(58,701)</u>	<u>(58,701)</u>	<u>(5,966)</u>	<u>52,735</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(43,000)</u>	<u>(43,000)</u>	<u>(43,000)</u>	<u>-</u>
Total other financing uses	<u>(43,000)</u>	<u>(43,000)</u>	<u>(43,000)</u>	<u>-</u>
Net change in fund balance	(101,701)	(101,701)	(48,966)	52,735
Fund balance—beginning	<u>2,034,860</u>	<u>2,034,860</u>	<u>2,034,860</u>	<u>-</u>
Fund balance—ending	<u>\$ 1,933,159</u>	<u>\$ 1,933,159</u>	<u>\$ 1,985,894</u>	<u>\$ 52,735</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance—**  
**Budget and Actual—Debt Service Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Use of money and property	\$ 15,000	\$ 15,000	\$ 133,889	\$ 118,889
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>133,889</u>	<u>118,889</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal—serial bonds	3,562,300	3,562,300	2,135,000	1,427,300
Principal—capital leases	-	-	339,951	(339,951)
Interest	<u>1,715,675</u>	<u>1,715,675</u>	<u>673,226</u>	<u>1,042,449</u>
Total expenditures	<u>5,277,975</u>	<u>5,277,975</u>	<u>3,148,177</u>	<u>2,129,798</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,262,975)</u>	<u>(5,262,975)</u>	<u>(3,014,288)</u>	<u>2,248,687</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,277,975	5,277,975	3,221,779	(2,056,196)
Transfers out	(275,000)	(275,000)	(275,000)	-
Proceeds of advanced refunding bond issuance	-	-	4,510,000	4,510,000
Premium on advanced refunding bond issuance	-	-	84,067	84,067
Payments to escrow for advanced refunding	<u>-</u>	<u>-</u>	<u>(4,594,067)</u>	<u>(4,594,067)</u>
Total other financing sources (uses)	<u>5,002,975</u>	<u>5,002,975</u>	<u>2,946,779</u>	<u>(2,056,196)</u>
Net change in fund balance	(260,000)	(260,000)	(67,509)	192,491
Fund balance—beginning	<u>2,203,633</u>	<u>2,203,633</u>	<u>2,203,633</u>	<u>-</u>
Fund balance—ending	<u>\$ 1,943,633</u>	<u>\$ 1,943,633</u>	<u>\$ 2,136,124</u>	<u>\$ 192,491</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Combining Balance Sheet—Nonmajor Special District Funds**  
**December 31, 2010**

	<b>Lighting District</b>	<b>Master Drainage</b>	<b>Water Hydrant</b>	<b>Total Nonmajor Special Districts</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,589,252	\$ 419,217	\$ 478,051	\$ 2,486,520
Accounts receivable	1,560	-	5,115	6,675
Total assets	\$ 1,590,812	\$ 419,217	\$ 483,166	\$ 2,493,195
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 207,222	\$ 979	\$ -	\$ 208,201
Due to other governments	-	-	26,363	26,363
Total liabilities	207,222	979	26,363	234,564
Fund balances:				
Reserved for:				
Encumbrances	3,104	38,896	-	42,000
Unreserved, designated for subsequent years' expenditures, reported in nonmajor:				
Lighting district fund	275,000	-	-	275,000
Master drainage fund	-	11,000	-	11,000
Water hydrant fund	-	-	56,530	56,530
Unreserved, undesignated, reported in nonmajor:				
Lighting district fund	1,105,486	-	-	1,105,486
Master drainage fund	-	368,342	-	368,342
Water hydrant fund	-	-	400,273	400,273
Total fund balances	1,383,590	418,238	456,803	2,258,631
Total liabilities and fund balances	\$ 1,590,812	\$ 419,217	\$ 483,166	\$ 2,493,195

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—**  
**Nonmajor Special District Funds**  
**Year Ended December 31, 2010**

	<u>Lighting District</u>	<u>Master Drainage</u>	<u>Water Hydrant</u>	<u>Total Nonmajor Special Districts</u>
<b>REVENUES</b>				
Real property taxes	\$ 2,564,098	\$ 673,837	\$ 401,824	\$ 3,639,759
Other property tax items	3,106	-	-	3,106
Use of money and property	10,277	3,073	2,498	15,848
Sale of property and compensation for loss	1,560	-	-	1,560
Miscellaneous	<u>15,408</u>	<u>175</u>	<u>-</u>	<u>15,583</u>
Total revenues	<u>2,594,449</u>	<u>677,085</u>	<u>404,322</u>	<u>3,675,856</u>
<b>EXPENDITURES</b>				
Current:				
Home and community services	2,093,167	350,709	422,778	2,866,654
Employee benefits	<u>73,833</u>	<u>46,377</u>	<u>40,018</u>	<u>160,228</u>
Total expenditures	<u>2,167,000</u>	<u>397,086</u>	<u>462,796</u>	<u>3,026,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>427,449</u>	<u>279,999</u>	<u>(58,474)</u>	<u>648,974</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(353,714)</u>	<u>(154,442)</u>	<u>-</u>	<u>(508,156)</u>
Total other financing uses	<u>(353,714)</u>	<u>(154,442)</u>	<u>-</u>	<u>(508,156)</u>
Net change in fund balances	73,735	125,557	(58,474)	140,818
Fund balances—beginning	<u>1,309,855</u>	<u>292,681</u>	<u>515,277</u>	<u>2,117,813</u>
Fund balances—ending	<u>\$ 1,383,590</u>	<u>\$ 418,238</u>	<u>\$ 456,803</u>	<u>\$ 2,258,631</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance—**  
**Budget and Actual—Lighting District Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 2,564,098	\$ 2,564,098	\$ 2,564,098	\$ -
Other tax items	2,000	2,000	3,106	1,106
Use of money and property	25,000	25,000	10,277	(14,723)
Sale of property and compensation for loss	-	-	1,560	1,560
Miscellaneous	-	-	15,408	15,408
Total revenues	<u>2,591,098</u>	<u>2,591,098</u>	<u>2,594,449</u>	<u>3,351</u>
<b>EXPENDITURES</b>				
Current:				
Home and community services	2,442,172	2,442,172	2,093,167	349,005
Employee benefits	<u>73,833</u>	<u>73,833</u>	<u>73,833</u>	<u>-</u>
Total expenditures	<u>2,516,005</u>	<u>2,516,005</u>	<u>2,167,000</u>	<u>349,005</u>
Excess (deficiency) of revenues over (under) expenditures	75,093	75,093	427,449	352,356
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(353,950)</u>	<u>(353,950)</u>	<u>(353,714)</u>	<u>236</u>
Total other financing uses	<u>(353,950)</u>	<u>(353,950)</u>	<u>(353,714)</u>	<u>236</u>
Net change in fund balance	(278,857)	(278,857)	73,735	352,592
Fund balance—beginning	<u>1,309,855</u>	<u>1,309,855</u>	<u>1,309,855</u>	<u>-</u>
Fund balance—ending	<u>\$ 1,030,998</u>	<u>\$ 1,030,998</u>	<u>\$ 1,383,590</u>	<u>\$ 352,592</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance—**  
**Budget and Actual—Master Drainage Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 673,837	\$ 673,837	\$ 673,837	\$ -
Use of money and property	10,000	10,000	3,073	(6,927)
Miscellaneous	-	-	175	175
Total revenues	<u>683,837</u>	<u>683,837</u>	<u>677,085</u>	<u>(6,752)</u>
<b>EXPENDITURES</b>				
Current:				
Home and community services	404,302	404,302	350,709	53,593
Employee benefits	<u>46,377</u>	<u>46,377</u>	<u>46,377</u>	-
Total expenditures	<u>450,679</u>	<u>450,679</u>	<u>397,086</u>	<u>53,593</u>
Excess of revenue over expenditures	<u>233,158</u>	<u>233,158</u>	<u>279,999</u>	<u>46,841</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(254,600)</u>	<u>(254,600)</u>	<u>(154,442)</u>	<u>100,158</u>
Total other financing uses	<u>(254,600)</u>	<u>(254,600)</u>	<u>(154,442)</u>	<u>100,158</u>
Net change in fund balance	(21,442)	(21,442)	125,557	146,999
Fund balance—beginning	<u>292,681</u>	<u>292,681</u>	<u>292,681</u>	-
Fund balance—ending	<u>\$ 271,239</u>	<u>\$ 271,239</u>	<u>\$ 418,238</u>	<u>\$ 146,999</u>

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance—**  
**Budget and Actual—Water Hydrant District Fund**  
**Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUE</b>				
Real property taxes	\$ 401,824	\$ 401,824	\$ 401,824	\$ -
Use of money and property	<u>11,800</u>	<u>11,800</u>	<u>2,498</u>	<u>(9,302)</u>
Total revenues	<u>413,624</u>	<u>413,624</u>	<u>404,322</u>	<u>(9,302)</u>
<b>EXPENDITURES</b>				
Current:				
Home and community services	433,159	433,159	422,778	10,381
Employee benefits	<u>40,018</u>	<u>40,018</u>	<u>40,018</u>	<u>-</u>
Total expenditures	<u>473,177</u>	<u>473,177</u>	<u>462,796</u>	<u>10,381</u>
Excess of revenue over expenditures	<u>(59,553)</u>	<u>(59,553)</u>	<u>(58,474)</u>	<u>1,079</u>
Net change in fund balance	(59,553)	(59,553)	(58,474)	1,079
Fund balance—beginning	<u>515,277</u>	<u>515,277</u>	<u>515,277</u>	<u>-</u>
Fund balance—ending	<u>\$ 455,724</u>	<u>\$ 455,724</u>	<u>\$ 456,803</u>	<u>\$ 1,079</u>

# STATISTICAL SECTION

## (UNAUDITED)

This part of the Town of Cheektowaga comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town’s overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends .....	65
<i>These schedules contain trend information to help the reader understand how the Town’s financial performance and well-being have changed over time.</i>	
Revenue Capacity .....	71
<i>These schedules contain information to help the reader assess the Town’s most significant revenue source, real property taxes.</i>	
Debt Capacity .....	76
<i>These schedules present information to help the reader assess the affordability of the Town’s current levels of outstanding debt and the Town’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information .....	80
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town’s financial activities take place.</i>	
Operating Information .....	82
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town’s financial report relates to the services the Town’s provides and the activities it performs.</i>	



**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule I—Net Assets by Component**  
**Last Eight Fiscal Years**  
(accrual basis of accounting)

	December 31,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	\$ 28,471,005	\$ 34,188,940	\$ 37,337,793	\$ 37,296,021	\$ 39,713,401	\$ 44,105,979	\$ 49,718,794	\$ 53,004,308
Restricted for:								
Capital projects	3,255,013	2,458,889	1,589,362	3,645,587	9,656,051	7,377,925	2,557,288	-
Debt service	2,063,930	1,771,815	1,573,110	1,765,817	1,973,591	1,878,492	2,203,633	2,136,124
Unrestricted	8,482,890	6,337,851	8,132,509	13,578,706	16,132,830	12,292,565	6,296,685	785,009
Total net assets	<u>\$ 42,272,838</u>	<u>\$ 44,757,495</u>	<u>\$ 48,632,774</u>	<u>\$ 56,286,131</u>	<u>\$ 67,475,873</u>	<u>\$ 65,654,961</u>	<u>\$ 60,776,400</u>	<u>\$ 55,925,441</u>

Note: The Town began to report accrual information when it implemented GASB 34 in the year ended December 31, 2003.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule II—Changes in Net Assets**  
**Last Eight Fiscal Years**  
(accrual basis of accounting)

	Year ended December 31,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses:</b>								
<b>Primary government:</b>								
Governmental activities:								
General government support	\$ 7,563,045	\$ 8,284,691	\$ 10,602,516	\$ 11,385,557	\$ 10,938,414	\$ 13,027,629	\$ 14,510,433	\$ 15,065,695
Public safety	17,161,790	17,877,314	17,581,780	18,875,076	19,591,559	22,281,698	22,556,169	23,838,771
Transportation	7,062,347	7,011,438	7,340,730	8,176,985	8,050,558	9,943,422	9,756,559	12,062,694
Economic assistance and opportunity	180,958	300,250	478,859	128,654	91,857	19,357	10,195	11,785
Culture and recreation	4,426,268	5,778,707	6,505,853	6,189,631	6,620,004	7,752,472	7,627,522	7,693,325
Home and community services	20,816,796	22,642,493	23,912,592	24,895,311	24,236,075	27,930,245	29,351,877	27,716,827
Interest and other fiscal charges	1,147,281	874,402	1,109,186	1,101,761	1,011,310	929,359	816,656	781,244
Total primary government expenses	<u>58,358,485</u>	<u>62,769,295</u>	<u>67,531,516</u>	<u>70,752,975</u>	<u>70,539,777</u>	<u>81,884,182</u>	<u>84,629,411</u>	<u>87,170,341</u>
<b>Program revenues:</b>								
Governmental activities:								
Charges for services								
General government support	529,124	863,780	747,489	994,291	1,227,014	1,024,606	822,872	802,947
Public safety	1,028,281	977,525	984,628	1,045,540	996,778	1,188,428	1,208,078	1,385,466
Transportation	269,488	93,721	220,729	220,735	233,215	247,247	262,487	269,481
Culture and recreation	874,935	860,963	773,202	776,988	861,565	854,491	978,785	996,153
Home and community services	586,018	629,361	640,846	630,616	653,301	786,021	661,673	525,887
Operating grants and contributions	2,181,365	2,106,008	2,206,012	4,034,307	3,500,662	2,012,129	2,610,887	2,890,335
Capital grants and contributions	1,016,888	471,302	157,391	266,068	239,629	1,508,796	597,923	1,009,851
Total primary government program revenues	<u>6,486,099</u>	<u>6,002,660</u>	<u>5,730,297</u>	<u>7,968,545</u>	<u>7,712,164</u>	<u>7,621,718</u>	<u>7,142,705</u>	<u>7,880,120</u>
Primary government net expense	<u>(51,872,386)</u>	<u>(56,766,635)</u>	<u>(61,801,219)</u>	<u>(62,784,430)</u>	<u>(62,827,613)</u>	<u>(74,262,464)</u>	<u>(77,486,706)</u>	<u>(79,290,221)</u>
General revenues:								
Property taxes	44,209,093	47,987,384	53,490,022	56,970,684	58,918,404	58,043,796	60,190,287	62,528,924
Non-property tax items	7,949,661	7,803,930	8,009,665	8,116,246	8,847,816	9,212,331	8,910,845	9,108,489
Interest earnings	662,303	680,280	1,451,909	2,594,403	2,940,211	1,844,834	818,404	453,969
Sale of property and compensation for loss	-	-	-	85,464	92,613	253,439	278,876	132,762
Miscellaneous	378,209	406,335	298,775	467,229	433,909	806,827	562,956	489,469
Unrestricted State aid	2,224,235	2,373,363	2,426,127	2,203,761	2,784,402	2,280,325	1,846,777	1,725,649
Total general revenues	<u>55,423,501</u>	<u>59,251,292</u>	<u>65,676,498</u>	<u>70,437,787</u>	<u>74,017,355</u>	<u>72,441,552</u>	<u>72,608,145</u>	<u>74,439,262</u>
Change in net assets	<u>\$ 3,551,115</u>	<u>\$ 2,484,657</u>	<u>\$ 3,875,279</u>	<u>\$ 7,653,357</u>	<u>\$ 11,189,742</u>	<u>\$ (1,820,912)</u>	<u>\$ (4,878,561)</u>	<u>\$ (4,850,959)</u>

Note: The Town began to report accrual information when it implemented GASB 34 in the year ended December 31, 2003.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule III—Program Revenues by Function/Program**  
**Last Eight Fiscal Years**  
(accrual basis of accounting)

<b>Function/Program</b>	Year ended December 31,							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Primary government:</b>								
Governmental activities:								
General government support	\$ 662,940	\$ 1,062,884	\$ 904,937	\$ 1,517,835	\$ 1,492,119	\$ 1,326,446	\$ 945,599	\$ 888,686
Public safety	1,542,304	1,130,655	1,273,238	1,270,014	1,574,624	1,537,545	1,554,383	1,727,597
Transportation	494,994	408,835	220,729	1,126,575	1,115,471	367,156	794,639	610,017
Economic assistance and opportunity	134,188	106,709	119,557	121,878	7,442	10,834	-	-
Culture and recreation	1,750,867	944,535	964,449	776,988	861,565	2,236,512	1,016,955	1,347,228
Home and community services	<u>1,940,806</u>	<u>2,349,042</u>	<u>2,247,387</u>	<u>3,155,255</u>	<u>2,660,943</u>	<u>2,143,225</u>	<u>2,831,129</u>	<u>3,306,592</u>
Total program revenues	<u>\$6,526,099</u>	<u>\$6,002,660</u>	<u>\$5,730,297</u>	<u>\$7,968,545</u>	<u>\$7,712,164</u>	<u>\$7,621,718</u>	<u>\$7,142,705</u>	<u>\$7,880,120</u>

Note: The Town began to report accrual information when it implemented GASB 34 in the year ended December 31, 2003.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule IV—Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund										
Reserved	\$ 1,408,961	\$ 1,521,670	\$ 1,481,378	\$ 1,324,669	\$ 1,620,832	\$ 3,031,381	\$ 6,613,966	\$ 1,944,054	\$ 2,995,382	\$ 2,400,104
Unreserved	<u>7,048,473</u>	<u>6,892,803</u>	<u>7,182,829</u>	<u>7,355,624</u>	<u>9,816,508</u>	<u>12,416,707</u>	<u>14,150,491</u>	<u>17,677,622</u>	<u>15,870,846</u>	<u>17,157,445</u>
Total general fund	<u>\$ 8,457,434</u>	<u>\$ 8,414,473</u>	<u>\$ 8,664,207</u>	<u>\$ 8,680,293</u>	<u>\$ 11,437,340</u>	<u>\$ 15,448,088</u>	<u>\$ 20,764,457</u>	<u>\$ 19,621,676</u>	<u>\$ 18,866,228</u>	<u>\$ 19,557,549</u>
All other governmental funds										
Reserved	\$ 3,922,770	\$ 3,308,155	\$ 2,988,853	\$ 2,487,758	\$ 1,752,201	\$ 10,526,644	\$ 12,158,181	\$ 11,866,101	\$ 5,961,293	\$ 16,358,959
Unreserved, reported in										
Special revenue funds	\$ 12,448,908	\$ 11,411,788	\$ 11,243,957	\$ 11,533,996	\$ 11,546,949	\$ 13,829,549	\$ 14,902,255	\$ 17,359,148	\$ 19,500,815	\$ 20,084,560
Capital projects fund	<u>9,087,938</u>	<u>5,730,499</u>	<u>2,507,140</u>	<u>1,812,597</u>	<u>5,092,788</u>	-	-	-	-	<u>(16,218,058)</u>
Total all other governmental funds	<u>\$ 25,459,616</u>	<u>\$ 20,450,442</u>	<u>\$ 16,739,950</u>	<u>\$ 15,834,351</u>	<u>\$ 18,391,938</u>	<u>\$ 24,356,193</u>	<u>\$ 27,060,436</u>	<u>\$ 29,225,249</u>	<u>\$ 25,462,108</u>	<u>\$ 20,225,461</u>

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**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule V—Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues</b>										
Taxes <sup>1</sup>	\$46,546,850	\$49,451,441	\$52,158,754	\$55,791,314	\$61,499,687	\$65,086,930	\$67,766,220	\$67,256,127	\$69,101,132	\$ 71,637,413
Charges for services <sup>2</sup>	1,799,279	1,995,698	2,034,922	1,889,350	1,953,173	1,950,605	2,094,208	2,252,747	2,263,596	2,097,791
Interdistrict charges	3,000	3,000	-	-	-	-	-	-	-	-
Use of money and property	2,049,172	1,009,646	662,303	680,280	1,451,909	2,594,403	2,940,211	1,844,834	818,404	453,969
Licenses and permits	405,304	477,213	332,472	613,876	494,137	727,395	939,900	719,638	495,439	534,977
Fines and forfeitures	824,796	803,924	960,453	917,623	919,584	990,170	937,765	1,128,408	1,174,860	1,347,166
Miscellaneous <sup>3</sup>	357,925	374,525	466,972	535,472	456,212	559,378	557,537	1,145,246	960,193	657,836
State aid	2,886,011	2,793,210	3,973,511	3,236,333	2,909,755	3,371,861	4,064,667	3,149,762	3,334,726	3,642,254
Federal aid	1,708,024	1,390,477	1,448,976	1,714,340	1,879,775	3,132,275	2,460,026	2,651,488	1,720,861	1,983,581
<b>Total revenues</b>	<b>56,580,361</b>	<b>58,299,134</b>	<b>62,038,363</b>	<b>65,378,588</b>	<b>71,564,232</b>	<b>78,413,017</b>	<b>81,760,534</b>	<b>80,148,250</b>	<b>79,869,211</b>	<b>82,354,987</b>
<b>Expenditures</b>										
General government support	5,953,144	6,129,164	6,981,397	7,031,808	7,819,605	7,549,343	8,883,509	9,454,525	12,268,379	13,971,042
Public safety	12,939,412	13,414,181	13,541,990	14,212,951	13,708,457	14,832,325	15,685,796	16,122,639	16,306,024	16,742,094
Transportation	6,774,093	6,856,312	4,762,886	4,723,013	4,886,612	5,326,166	5,889,748	7,325,645	8,392,892	8,484,610
Economic assistance and opportunity	186,825	168,515	140,881	113,018	127,626	24,011	72,796	13,850	7,372	8,259
Culture and recreation	4,355,057	4,138,185	4,310,142	4,418,586	4,595,677	4,801,676	5,527,347	6,727,514	5,384,056	5,290,491
Home and community services	13,993,452	15,130,239	16,516,941	17,485,409	18,999,716	18,987,790	19,333,121	20,936,959	22,246,209	20,706,453
Employee benefits	8,735,572	9,516,397	11,293,950	13,061,811	14,472,657	14,896,282	14,510,696	14,891,430	16,465,268	18,549,187
Capital outlay	1,622,808	3,749,967	7,258,151	3,521,491	2,440,533	2,039,233	1,065,000	-	-	-
Debt service:										
Principal	2,630,000	3,050,000	2,950,000	2,472,200	2,472,478	2,525,506	2,803,343	2,703,866	2,483,844	2,474,951
Interest and other fiscal charges	1,033,495	1,198,309	1,246,080	851,615	1,076,237	1,110,682	1,033,566	949,790	833,756	673,226
<b>Total expenditures</b>	<b>58,223,858</b>	<b>63,351,269</b>	<b>69,002,418</b>	<b>67,891,902</b>	<b>70,599,598</b>	<b>72,093,014</b>	<b>74,804,922</b>	<b>79,126,218</b>	<b>84,387,800</b>	<b>86,900,313</b>

(continued)

(concluded)

Other financing sources (uses)										
Transfers in	5,585,150	5,648,101	5,967,880	6,221,538	6,501,357	7,099,369	6,865,498	11,327,459	5,378,311	5,601,115
Transfers out	(5,585,150)	(5,648,101)	(5,967,880)	(6,221,538)	(6,501,357)	(7,099,369)	(6,865,498)	(11,327,459)	(5,378,311)	(5,601,115)
Other financing sources	7,850,000	-	6,253,298	2,109,265	4,350,000	3,655,000	1,065,000	-	-	4,594,067
Other financing uses	<u>-</u>	<u>-</u>	<u>(2,750,000)</u>	<u>(485,464)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,594,067)</u>
Total other financing sources (uses)	<u>7,850,000</u>	<u>-</u>	<u>3,503,298</u>	<u>1,623,801</u>	<u>4,350,000</u>	<u>3,655,000</u>	<u>1,065,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 6,206,503</u>	<u>\$ (5,052,135)</u>	<u>\$ (3,460,757)</u>	<u>\$ (889,513)</u>	<u>\$ 5,314,634</u>	<u>\$ 9,975,003</u>	<u>\$ 8,020,612</u>	<u>\$ 1,022,032</u>	<u>\$ (4,518,589)</u>	<u>\$ (4,545,326)</u>
Debt service as a percentage of noncapital expenditures	6.47%	7.13%	6.71%	5.20%	5.39%	5.33%	5.49%	5.09%	4.37%	3.62%

<sup>1</sup> General Property Taxes, Interest and Penalties on Tax, Payments in Lieu of Tax, Sales Tax and Franchise Fees.

<sup>2</sup> Includes revenues in Departmental Income and Intergovernmental Charges categories.

<sup>3</sup> Includes revenues in Sale of Property, Refund Prior Year Expenses and Miscellaneous categories.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule VI—Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

Year	General Property Taxes	Interest and Penalties on Taxes	General Sales Taxes	Franchise and Other Payments in Lieu of Taxes	Total Taxes
2001	\$ 37,030,573	\$ 265,039	\$ 7,415,475	\$ 1,835,763	\$ 46,546,850
2002	40,418,618	182,912	6,881,842	1,968,069	49,451,441
2003	42,905,919	215,717	7,143,931	1,893,187	52,158,754
2004	46,841,128	217,707	7,028,007	1,704,472	55,791,314
2005	52,182,313	244,856	7,226,775	1,845,743	61,499,687
2006	55,431,045	423,723	7,310,175	1,921,987	65,086,930
2007	56,943,000	758,343	8,066,168	1,998,709	67,766,220
2008	56,462,538	405,073	8,400,761	1,987,755	67,256,127
2009	58,734,391	500,629	8,055,669	1,810,443	69,101,132
2010	61,214,130	291,131	8,180,932	1,951,220	71,637,413

Source: Town of Cheektowaga Finance Department records

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule VII—Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Year <sup>1</sup>	Real Property		Ratio of Assessed Value to Estimated Actual Value <sup>2</sup>
	Assessed Value	Estimated Actual Value	
2001	\$ 2,150,752,049	\$ 3,308,849,306	65%
2002	2,188,319,614	3,366,645,560	65%
2003	2,210,629,397	3,400,968,303	65%
2004	2,226,242,978	3,424,989,197	65%
2005	2,254,113,948	3,467,867,612	65%
2006	2,309,575,871	3,553,193,648	65%
2007	2,400,954,058	3,898,918,574	62%
2008	2,465,623,045	4,003,934,792	62%
2009	2,470,169,912	3,984,145,019	62%
2010	2,570,213,122	4,145,505,035	62%

<sup>1</sup> The years indicated relate to the tax levy year. Assessments are compiled from the Town's tax rolls for the preceding year and the equalization rate (see <sup>2</sup> below) shown relates to such assessment year.

<sup>2</sup> Ratio is the equalization rate as published by the Division of Real Property Tax, Department of Finance, Erie County, New York.

Source: Annual Report of the Division of Real Property Tax, Department of Finance, County of Erie, New York.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule VIII—Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
(rate per \$1,000 of assessed value, in dollars)

Year	Town Direct Rates			Overlapping Rates <sup>1</sup>										
	General Rate	Highway Rate	Total Direct Rate	Depew		Sloan		Williamsville		Cheektowaga	Union Free #2	Union Free #3	Lancaster	West Seneca
				Village	Town Outside Village	Village	Town Outside Village	Village	Town Outside Village	Town Outside Village	Town Outside Village	Town Outside Village	Town Outside Village	Town Outside Village
2001	\$9.626062	\$ -	\$9.626062	\$61.067343	\$48.689449	\$60.379662	\$50.600280	\$51.084386	\$47.252327	\$41.414067	\$43.225276	\$51.204327	\$42.193392	\$44.391477
2002	10.737049	-	10.737049	62.998812	50.742074	63.644551	53.223015	52.494540	48.600233	43.979103	44.175976	51.508040	43.232922	44.330720
2003	10.736474	0.918824	11.655298	65.953795	52.933229	68.454921	57.253183	53.572100	49.759315	44.568185	44.765058	56.189315	43.066199	45.891226
2004	11.679717	1.108601	12.788318	68.439054	53.439137	74.376029	62.889742	55.991654	49.978821	46.357336	47.872185	58.911734	43.101063	47.087939
2005	12.874465	1.331028	14.205493	71.465107	55.607581	81.918914	66.134871	57.118774	51.295172	48.848482	49.753679	58.870470	45.042310	48.207246
2006	13.467390	1.408465	14.875855	72.696773	56.468663	84.193678	68.811133	59.524843	54.456958	50.385258	50.115492	62.301873	48.337581	50.414838
2007	13.302436	1.373003	14.675439	72.029657	55.149061	83.561465	68.060012	55.602971	52.424723	50.577833	49.115716	62.268864	47.254031	50.499826
2008	12.845893	1.329574	14.175467	72.124928	54.738511	81.121216	65.928594	57.565172	51.938437	48.588887	48.673463	62.746677	46.562527	49.746144
2009	13.151539	1.380972	14.532511	69.708048	54.884060	81.880869	66.836204	56.216286	50.716884	49.649850	48.914416	64.107407	46.663412	48.726011
2010	13.727966	1.418932	15.146898	70.789270	56.455342	67.179919	52.185265	57.348708	52.085265	50.276249	52.498440	66.435265	47.457412	49.649327

Notes: (1) There are no limitations, either as to the rate or amount, with respect to ad valorem taxes real property in the Town which may be required to pay principal and interest of its bonded indebtedness.

(2) Taxes, other than Village and School, are due January 1 to February 15 without penalty. Penalties are 1.5% - February 16 - 28; 3% - March 1 - 15; 4.5% - March 16 - April 2; 6% - April 1 - 16; 7.5% April 17 - May 1; then 1.5% additional each month thereafter. Unpaid taxes are returned to the Erie County Commissioner of Finance on or about August 31.

(3) Assessed values used by the Villages vary from the Town's assessed values because different equalization rates are applicable. For this reason tax rates in the Villages cannot be compared with rates of Town Outside Villages.

<sup>1</sup> Overlapping rates are those of local governments that apply to property owners within the Town. Not all overlapping rates apply to all the Town's property owners.

Sources: Annual Report of the Division of Real Property Tax, Department of Finance, County of Erie, New York and various School Business Managers.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule IX—Principal Taxpayers**  
**Current Year and Ten Years Ago**

Taxpayer	Type of Business	2010			2001		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Pyramid Walden Co. (Galleria)	Shopping Mall	\$ 103,388,800	1	4.0%	\$ 84,728,400	1	3.9%
DDR Companies	Commercial	40,273,500	2	1.6%	-	n/a	-
National Fuel Gas Dist Co	Public Utility	34,390,009	3	1.3%	34,081,727	3	1.6%
Benderson	Commercial	24,451,600	5	1.0%	40,954,500	2	1.9%
NYSEG	Public Utility	22,067,300	6	0.9%	21,064,959	4	1.0%
Niagara Mohawk	Public Utility	17,609,663	7	0.7%	14,813,520	9	0.7%
Idylwood Apartments	Apartments	17,513,900	8	0.7%	-	n/a	-
BG Thruway LLC	Retail	13,826,000	4	0.5%	-	n/a	-
Verizon New York, Inc.	Public Utility	12,840,515	9	0.5%	14,904,442	8	0.7%
Williamstowne Apartments	Apartments	12,579,700	10	0.5%	-	n/a	-
CSX Transportation	Railroad	-	n/a	-	16,466,498	5	0.8%
Clover Properties Fund I, LP	Apartments	-	n/a	-	15,439,600	6	0.7%
Norfolk Southern	Railroad	-	n/a	-	14,932,708	7	0.7%
Wegmans Food Market Inc.	Food Market	-	n/a	-	12,323,200	10	0.6%
		<u>\$ 298,940,987</u>		11.7%	<u>\$ 269,709,554</u>		12.6%

Source: Town of Cheektowaga Assessor.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule X—Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended December 31,	Taxes levied for the Fiscal Year			Collected within the Fiscal Year of the Levy*		Returned to Erie County
	Town Portion	County Portion	Total	Amount	Percentage of Total Levy	
2001	\$ 42,303,961	\$ 21,200,227	\$ 63,504,188	\$ 60,985,981	96%	\$ 2,518,207
2002	45,723,725	22,205,843	67,929,568	65,010,482	96%	2,919,086
2003	48,394,976	21,890,413	70,285,389	66,226,550	94%	4,058,839
2004	52,474,075	21,780,799	74,254,874	71,137,182	96%	3,117,692
2005	58,089,614	21,852,457	79,942,071	76,636,294	96%	3,305,777
2006	61,491,459	24,636,726	86,128,185	82,423,154	96%	3,705,031
2007	63,201,387	26,807,977	90,009,364	86,283,007	96%	3,726,357
2008	63,002,173	27,733,771	90,735,944	86,934,446	96%	3,801,498
2009	65,353,938	27,576,577	92,930,515	89,022,890	96%	3,907,625
2010	67,997,727	29,044,962	97,042,689	93,026,841	96%	4,015,848

The total levy included the billing for New York State and Erie County real property taxes which are jointly billed with the Town levies.

Tax payments are due January 1 to February 15th without penalty. Penalties are:

February 16 - 28	1.5%
March 1 - 15	3%
March 16 - April 2	4.5%
April 3 - 16	6%
April 17 - 30	7.5%

1.5% added each month thereafter.

\* The tax roll is returned to the Erie County Commissioner of Finance after August 31 at which time all unpaid taxes and penalties are payable to him. The Town retains their full tax levies for all funds and special districts prior to remitting the balance plus unpaid items to the County. Thus, the Town is assured of receiving 100% of its tax levy.

Source: Town of Cheektowaga Receiver of Taxes.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XI—Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Bond Anticipation Notes	Serial Bonds	Capital Leases	Total Amount	Percentage of Personal Income <sup>1</sup>	Debt per Capita <sup>1</sup>
2001	\$ -	\$ 22,225,000	\$ -	\$ 22,225,000	0.83%	\$ 236.44
2002	-	22,175,000	-	22,175,000	0.81%	235.90
2003	1,450,000	19,425,000	3,303,298	24,178,298	0.85%	257.22
2004	2,380,000	17,267,125	4,659,738	24,306,863	0.81%	258.58
2005	2,920,000	19,189,825	4,614,560	26,724,385	0.87%	284.30
2006	-	20,527,524	4,406,354	24,933,878	0.77%	265.25
2007	-	17,987,400	5,208,136	23,195,536	0.66%	246.76
2008	-	15,580,100	4,911,570	20,491,670	0.56%	218.00
2009	-	13,415,000	4,592,826	18,007,826	n/a	191.57
2010	8,300,000	11,315,000	4,252,876	23,867,876	n/a	253.91

Notes: Detail regarding the Town's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See Schedule XV for personal income and population data.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XII—Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Year	Population	General Bonded Debt Outstanding				Percentage of Net Bonded Debt to Assessed Value <sup>1</sup>	Net Bonded Debt per Capita <sup>2</sup>
		Assessed Value (Taxable)	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt		
2001	94,000	\$ 2,150,752,049	\$ 22,225,000	\$ 2,880,641	\$ 19,344,359	0.90%	\$ 205.79
2002	94,000	2,188,319,614	22,175,000	2,441,585	19,733,415	0.90%	209.93
2003	94,000	2,210,629,397	19,425,000	2,059,593	17,365,407	0.79%	184.74
2004	94,000	2,226,242,978	17,267,125	1,771,815	15,495,310	0.70%	164.84
2005	94,000	2,254,113,948	19,189,825	1,573,110	17,616,715	0.78%	187.41
2006	94,000	2,309,575,871	20,527,524	1,765,817	18,761,707	0.81%	199.59
2007	94,000	2,400,954,058	17,987,400	1,973,591	16,013,809	0.67%	170.36
2008	94,000	2,465,623,045	15,580,100	1,878,492	13,701,608	0.56%	145.76
2009	94,000	2,470,169,912	13,415,000	2,203,633	11,211,367	0.45%	119.27
2010	94,000	2,570,213,122	11,315,000	2,136,124	9,178,876	0.36%	97.65

Notes: Detail regarding the Town's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See Schedule XVII for property value data.

<sup>2</sup> See Schedule XV for personal income and population data.

Sources: Town of Cheektowaga Annual Financial Report to the State of New York, Office of the State Comptroller and U.S. Bureau of the Census.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XIII— Computation of Estimated Direct and Overlapping Debt**  
**As of December 31, 2010**

Governmental Unit	Gross Indebtedness	Estimated Exclusions <sup>1</sup>	Net Indebtedness	Percentage Applicable <sup>2</sup>	Town of Cheektowaga Portion
Estimated direct debt:					
Town of Cheektowaga	\$ 11,315,000	\$ 1,935,000	\$ 9,380,000	100.00%	\$ 9,380,000
Estimated overlapping debt:					
Villages:					
Depew	1,375,000	-	1,375,000	50.56%	695,223
Sloan	-	-	-	100.00%	-
Williamsville	2,180,000	100,000	2,080,000	0.25%	5,120
School Districts:					
Cheektowaga Central	15,580,000	9,659,600	5,920,400	100.00%	5,920,400
Cheektowaga-Maryvale Union Free	27,530,000	19,656,420	7,873,580	100.00%	7,873,580
Cleveland Hill Union Free at Cheektowaga	26,001,523	23,401,371	2,600,152	100.00%	2,600,152
Williamsville Central	24,527,632	18,763,638	5,763,994	0.06%	3,407
Lancaster Central	37,400,000	31,528,200	5,871,800	8.45%	496,384
Depew Union Free	2,340,000	1,811,160	528,840	59.57%	315,005
West Seneca Central	45,965,105	38,794,549	7,170,556	18.66%	1,338,258
Union Free School District #9 (Sloan)	18,980,000	15,392,780	3,587,220	94.37%	3,385,276
County of Erie	<u>673,037,690</u>	<u>236,778,659</u>	<u>436,259,031</u>	7.40%	<u>32,264,751</u>
Total estimated overlapping debt	<u>874,916,950</u>	<u>395,886,377</u>	<u>479,030,573</u>		<u>54,897,555</u>
Total estimated direct and overlapping debt	<u>\$ 886,231,950</u>	<u>\$ 397,821,377</u>	<u>\$ 488,410,573</u>		<u>\$ 64,277,555</u>

<sup>1</sup> Under New York State Statutes certain indebtedness related to Water and Sewer Improvements as well as School Indebtedness funded by State Building Aid may be excluded in the computation of statutory debt limits.

<sup>2</sup> For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Town's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used with the County of Erie's debt, which was estimated by dividing the Town's assessed value by the total assessed value of the County of Erie.

Sources: Most recent data provided by Town 12-31-10, County 12-31-10, Villages 5-31-10, Schools 6-30-10 and Annual Report of the Division of Real Property Tax, Department of Finance, County of Erie, New York.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XIV— Legal Debt Margin Information**  
**Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2010	
Estimated Actual Value of Real Property (After Exemptions):	
2006	\$ 3,553,193,648
2007	3,898,918,574
2008	4,003,934,792
2009	3,984,145,019
2010	<u>4,145,505,035</u>
Total five-year valuation	19,585,697,069
Average full valuation	3,917,139,414
Debt limit- 7% of average full valuation <sup>1</sup>	274,199,759
Debt applicable to limit:	
General Obligations bonds	11,315,000
Less other deductions allowed by law <sup>2</sup>	
Budgeted appropriations	<u>1,935,000</u>
Total amount of net indebtedness applicable to debt limit	<u>9,380,000</u>
Legal debt margin <sup>3</sup>	<u>\$ 264,819,759</u>
Percentage of debt contracting power exhausted	3.42%

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$234,027,573	\$234,894,119	\$236,267,707	\$237,807,588	\$232,480,431	\$240,991,300	\$248,449,943	\$ 256,884,654	\$264,712,835	\$274,199,759
Total net debt applicable to limit	<u>22,553,400</u>	<u>19,087,800</u>	<u>16,000,150</u>	<u>14,747,126</u>	<u>16,872,524</u>	<u>17,987,398</u>	<u>15,580,100</u>	<u>14,356,300</u>	<u>11,280,000</u>	<u>9,380,000</u>
Legal debt margin	<u>\$211,474,173</u>	<u>\$215,806,319</u>	<u>\$220,267,557</u>	<u>\$223,060,462</u>	<u>\$215,607,907</u>	<u>\$223,003,902</u>	<u>\$232,869,843</u>	<u>\$ 242,528,354</u>	<u>\$253,462,835</u>	<u>\$264,819,759</u>
Total net debt applicable to the limit as a percentage of debt limit	9.64%	8.13%	6.77%	6.20%	7.26%	7.46%	6.27%	5.59%	4.26%	3.42%

<sup>1</sup> The provisions of Section 104 of the Local Finance Law specifies debt limits of Towns of New York State.

<sup>2</sup> Under the State Constitution, indebtedness contracted for the construction of sewer facilities may be excluded, in ascertaining the debt incurring power of the Town upon application to and the technical approval of the State Comptroller. The Town has not submitted such application, so it cannot formally exclude such indebtedness.

<sup>3</sup> There is no constitutional limitation of the amount that may be raised by the Town by tax on real estate in any fiscal year to pay interest and principal on all indebtedness.

Sources: Town of Cheektowaga Annual Financial Report to the State of New York, Office of the State Comptroller and the Annual Report of the Division of Real Property Tax, Department of Finance, County of Erie, New York.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XV—Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Calendar Year	Population	Per Capita		Unemployment Rate <sup>3</sup>		Labor Force <sup>4</sup>
		Personal Income <sup>1</sup>	Personal Income <sup>2</sup>	Cheektowaga	New York State	
2001	94,000	\$ 28,506	\$ 2,679,564	4.7%	4.9%	48.7
2002	94,000	29,053	2,730,982	5.4%	6.2%	49.1
2003	94,000	30,299	2,848,106	5.7%	6.4%	48.8
2004	94,000	31,827	2,991,738	5.8%	5.8%	49.2
2005	94,000	32,631	3,067,314	5.2%	5.0%	48.9
2006	94,000	34,631	3,255,314	5.1%	4.6%	48.7
2007	94,000	37,231	3,499,714	4.8%	4.5%	48.2
2008	94,000	38,795	3,646,730	5.5%	5.3%	48.6
2009	94,000	26,627	2,502,938	8.2%	8.4%	48.5
2010	88,226	n/a	n/a	8.2%	8.6%	47.7

<sup>1</sup> Data represents per capita income for Erie County.

<sup>2</sup> Estimated, in thousands.

<sup>3</sup> Annual averages.

<sup>4</sup> In thousands.

Sources: U.S. Bureau of the Census, New York State Department of Labor, U.S. Department of Labor— Bureau of Labor Statistics and the Bureau of Economic Analysis.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XVI—Principal Cheektowaga Chamber of Commerce Business Members**  
**Current Year and Ten Years ago**

Employer	Type	2010			2001		
		Approx. No. of Employees	Rank	Percentage of Labor Force <sup>2</sup>	Approx. No. of Employees	Rank	Percentage of Total City Employment
St. Joseph Hospital	Hospital	800	1	1.68%	501	3	1.02%
Cameron, Inc.	Industrial	700	2	1.47%	-	-	-
Quebecor	Industrial	600	3	1.26%	1,350	1	2.76%
Derrick Corporation	Industrial	500	4	1.05%	-	-	-
Town of Cheektowaga <sup>1</sup>	Local Government	460	5	0.96%	475	6	0.97%
Cheektowaga Central Schools	Public Schools	350	6	0.73%	400	8	0.82%
Maryvale School District	Public Schools	350	7	0.73%	390	9	0.80%
First Student Bus Service	Transportation	300	8	0.63%	-	-	-
Rosina Foods	Industrial	260	9	0.55%	-	-	-
Upstate Niagara Cooperative, Inc.	Industrial	250	10	0.52%	-	-	-
Calspan Corporation	Industrial	-	-	-	500	4	1.02%
National School Bus Service	Transportation	-	-	-	700	2	1.43%
Sierra Technologies	Industrial	-	-	-	495	5	1.01%
Cooper Turbo Compressor	Industrial	-	-	-	400	7	0.82%
J.C. Penny Co., Inc.	Department Store	-	-	-	356	10	0.73%

<sup>1</sup> Full-time only.

<sup>2</sup> Estimated.

Source: Cheektowaga Chamber of Commerce and Town Building Inspector

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**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XVII—Full-time Equivalent Town Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program:	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General government support										
Supervisor	3	3	3	3	3	3	2	2	2	2
Personnel	3	3	3	3	3	3	3	3	3	3
Accounting	5	5	5	5	5	5	5	5	5	5
Information Services	1	1	2	3	3	4	4	4	4	4
Assessors	7	6	6	6	7	7	7	7	7	7
Central Printing	1	1	1	1	1	1	1	1	1	2
Building Maintenance	9	9	9	9	9	9	9	9	9	9
Central Garage	12	12	12	12	12	12	12	12	11	11
Council	8	8	8	8	8	8	8	8	8	8
Engineering	7	7	7	7	7	7	7	8	8	8
Justice	14	14	14	14	14	14	14	14	14	14
Law	6	6	6	6	6	6	5	5	5	5
Town Clerk	8	9	9	9	8	10	9	9	8	7
Tax office	2	2	2	2	2	-	-	-	-	-
	<u>86</u>	<u>86</u>	<u>87</u>	<u>88</u>	<u>88</u>	<u>89</u>	<u>86</u>	<u>87</u>	<u>85</u>	<u>85</u>
Public safety										
Dispatchers	28	28	28	28	28	28	28	28	28	28
Officers	128	127	128	127	127	128	128	129	129	129
Civilians	9	9	9	9	9	9	9	9	9	9
Animal control	1	1	1	1	1	1	1	1	1	1
Sign Maintenance	3	3	3	3	4	4	4	3	3	3
Building & Plumbing - code enforcement	12	14	15	15	17	19	19	19	19	19
	<u>181</u>	<u>182</u>	<u>184</u>	<u>183</u>	<u>186</u>	<u>189</u>	<u>189</u>	<u>189</u>	<u>189</u>	<u>189</u>
Transportation										
Highway	<u>76</u>	<u>75</u>	<u>76</u>	<u>74</u>	<u>74</u>	<u>74</u>	<u>75</u>	<u>75</u>	<u>74</u>	<u>74</u>

(continued)

(concluded)

Function/Program:	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Economic assistance and opportunity										
Community Development	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>
Culture and recreation										
Parks/Facilities	19	21	21	21	21	22	21	21	21	21
Youth & Recreation	10	10	10	10	10	10	10	10	9	9
Senior services	<u>5</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
	<u>34</u>	<u>37</u>	<u>36</u>	<u>36</u>						
Home and community services										
Sanitation	40	40	46	45	46	45	46	45	45	45
Recycling	17	16	-	-	-	-	-	-	-	-
Sewer	23	23	22	22	22	21	21	21	21	21
Main Pump	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
	<u>92</u>	<u>91</u>	<u>80</u>	<u>79</u>	<u>80</u>	<u>77</u>	<u>79</u>	<u>78</u>	<u>78</u>	<u>78</u>

Source: Various Town departments.

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XVIII—Operating Indicators**  
**Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>TOWN JUSTICES' CASELOAD:</b>										
Cases processed:										
Motor vehicle	21,856	18,803	18,510	16,309	17,351	16,922	16,248	16,751	17,786	20,532
Criminal	4,410	4,821	4,437	4,441	4,643	5,387	5,915	5,809	6,529	6,187
Civil	1,276	1,218	1,118	983	1,140	1,031	1,003	774	712	754
Fines assessed:										
Motor vehicle	\$ 1,352,580	\$ 1,288,591	\$ 1,508,280	\$ 1,567,165	\$ 1,638,585	\$ 1,607,360	\$ 1,569,394	\$ 1,690,540	\$ 1,981,681	\$ 2,220,604
Criminal	\$ 186,823	\$ 177,261	\$ 181,159	\$ 185,884	\$ 148,936	\$ 197,231	\$ 239,620	\$ 240,268	\$ 234,028	\$ 354,693
Civil	\$ 21,850	\$ 25,330	\$ 15,733	\$ 17,260	\$ 20,355	\$ 19,130	\$ 18,650	\$ 14,085	\$ 12,855	\$ 14,395
<b>NUMBER OF BUILDING PERMITS:</b>										
One family	46	56	54	27	30	17	35	23	13	16
Two family	0	0	0	0	0	0	0	0	0	0
Apartments	3	0	6	0	7	1	0	0	0	0
Other	1,047	1,423	1,031	1,541	1,559	1,655	1,973	2,430	2,422	1,999
Value of construction	\$42,473,688	\$38,935,882	\$39,429,426	\$40,110,887	\$45,285,068	\$67,060,557	\$74,059,133	\$66,071,696	\$34,012,934	\$50,419,216
<b>POLICE:</b>										
Arrests	4,811	4,100	3,843	4,448	4,770	4,984	5,219	4,871	5,272	6,256
Traffic tickets	13,687	13,612	13,369	10,277	11,791	10,457	10,523	8,632	10,147	10,369
Calls for service	47,907	41,145	40,015	43,216	43,366	43,312	49,871	50,305	48,176	48,901
Police reports	11,467	11,633	11,386	11,185	11,621	11,524	10,993	10,609	10,696	10,640
<b>REFUSE COLLECTION:</b>										
Refuse collected (tons annually) <sup>1</sup>	33,549	34,136	42,727	35,855	33,070	33,151	31,886	31,991	30,384	30,787

<sup>1</sup> Refuse collection data is not available for use prior to the year ended December 31, 2001.

<sup>2</sup> During the year ended December 31, 2003 the recycling program for the Town was eliminated and all recyclables went into garbage, during the year ended December 31, 2004 a private recycling program was initiated.

Sources: Various Town departments

**TOWN OF CHEEKTOWAGA, NEW YORK**  
**Schedule XIX—Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/Program:	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	n/a	52	50	48	44	49	49	50	49	49
<b>Refuse collection</b>										
Collection trucks	n/a	16	20	15	19	15	21	19	17	18
<b>Other public works</b>										
Streets (miles)	n/a	n/a	389	389	389	389	389	389	389	389
Streetlights	n/a	n/a	962	962	966	979	1310	1310	1310	1310
Traffic signals	n/a	n/a	41	41	41	41	41	41	41	41
<b>Parks and recreation</b>										
Acreage	n/a	n/a	552	552	552	552	552	552	552	552
Playgrounds	n/a	n/a	18	18	18	18	18	18	18	18
Baseball/softball diamonds	n/a	n/a	21	21	21	21	21	21	19	19
Soccer/football fields	n/a	n/a	3	3	4	5	5	5	5	5
Community centers	n/a	n/a	5	5	5	5	5	5	4	4
<b>Water</b>										
Fire hydrants	n/a	n/a	1399	1360	1363	1371	1378	1378	1379	1381
<b>Wastewater</b>										
Sanitary sewers (miles)	n/a	n/a	200	200	200	200	200	200	200	200
Storm sewers (miles)	n/a	n/a	150	150	150	150	175	175	178	182
<b>Senior Center</b>										
Transport vans	n/a	n/a	8	7	7	8	8	8	9	8

<sup>1</sup> Certain data (marked "n/a") regarding the Town's capital assets is not available for years prior to the Town's implementation of GASB Statement No. 34 during the year ended December 31, 2003.

Sources: Various Town departments

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