

Village of Croton-on-Hudson, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2013

Village of Croton-on-Hudson, New York

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Independent Auditors' Report

**The Honorable Mayor and Board of Trustees
of the Village of Croton-on-Hudson, New York**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Croton-on-Hudson, New York ("Village") as of and for the year ended May 31, 2013, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

O'CONNOR DAVIES, LLP

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village, as of May 31, 2013, and the respective changes in financial position, thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Schedule of Funding Progress - Other Post Employment Benefits be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

O'Connor Davies, LLP

O'Connor Davies, LLP

Harrison, New York

November 7, 2013

Village of Croton-on-Hudson, New York

Management's Discussion and Analysis May 31, 2013

Introduction

As management of the Village of Croton-on-Hudson, New York ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2013. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

Financial Highlights for Fiscal Year 2013

- On the government-wide financial statements, the assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$12,047,208. Of this amount \$321,765 may be used to meet the Village's ongoing obligations to citizens and creditors.
- The General Fund completed fiscal year 2013 with a fund balance totaling \$7,231,235, an increase of \$243,164. Of this amount, the unassigned fund balance totaled \$4,890,443. In addition, the nonspendable classification included \$880 for prepaid expenditures and \$52,431 for advances. The assigned classification included \$279,869 for encumbrances, \$700,000 for subsequent years expenditures and \$350,000 for future retirement expenditures. \$957,612 was restricted for employee benefits which represents accumulated vacation and sick leave in accordance with various collective bargaining agreements.
- Capital Projects Fund expenditures totaled \$1,097,605 and the fund balance at May 31, 2013 was \$7,207,830.
- The Village issued \$895,786 of new bond anticipation notes and retired \$844,128 of bond anticipation notes outstanding at May 31, 2013. At May 31, 2013, the Village had \$895,786 of bond anticipation notes outstanding to finance capital projects.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$14,933,356. Of this amount, the unassigned fund balance was \$4,838,012 or 32%.
- During the 2013 fiscal year, the Village issued \$7,987,500 of serial bonds and retired \$4,741,060 of previously outstanding indebtedness. The Village's total outstanding general obligation bonds payable at May 31, 2013 totaled \$23,532,500, exclusive of deferred charges of (\$160,832) and issuance premium of \$195,475.

Overview of the Financial Statements

The Village's financial statements are comprised of this Management Discussion and Analysis ("MD&A") and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Village's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The *government-wide financial statements* are presented in a manner similar to private-sector business financial statements. The statements are prepared using the accrual basis of accounting. The government-wide financial statements include two statements: the Statement of Net Position and the Statement of Activities. Fiduciary activities, whose resources are not available to the Village's programs, are excluded from these statements.

The *Statement of Net Position* presents the Village's total assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing the change in the Village's net position during the current fiscal year. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as uncollected taxes and earned but unused vacation and sick leave. The focus of this statement is on the net cost of providing various services to the citizens of the Village.

The government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. Governmental resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds - Most of the basic services provided by the Village are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these

resources at the end of the fiscal year. This information is useful in determining the Village's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

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. From this comparison, readers may better understand the long-term impact of the Village'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 Village of Croton-on-Hudson has six (6) individual governmental funds: General, Water, Debt Service, Capital Projects, Special Purpose and Sewer funds. Of these, the General, Water, Debt Service and Capital Projects funds are reported as major funds, and are presented in separate columns on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major funds can be found on the *combining statements* elsewhere in this report.

The Village adopts an annual budget for its General, Water, Sewer and Debt Service funds. A budgetary comparison statement has been provided in the basic financial statements for the General and Water Funds to demonstrate compliance with the respective budgets.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are *not* reflected in the government-wide financial statements because the assets of these funds are *not* available to support the activities of the Village. The Village maintains two types of fiduciary funds, the Pension Trust Fund and the Agency Fund. The Pension Trust Fund accounts for the Service Awards Program for volunteer firefighters. Resources are held in the Agency Fund by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt and remittance of resources to the appropriate individual, organization or government.

The financial statements for the Fiduciary Funds can be found in the basic financial statements section of this report.

Notes to Financial Statement

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

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Village's other post employment benefit obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Village's financial position. In the case of the Village of Croton-on-Hudson, New York assets exceeded liabilities by \$12,047,208 for fiscal year 2013.

The following table reflects the condensed Statement of Net Position:

Statement of Net Position

	May 31,	
	2013	2012
Current Assets	\$ 17,785,753	\$ 13,347,927
Capital Assets, net	29,511,273	29,199,061
Total Assets	47,297,026	42,546,988
Current Liabilities	2,901,032	2,535,793
Long-Term Liabilities	32,348,786	28,180,342
Total Liabilities	35,249,818	30,716,135
Net Position		
Net investment in capital assets	10,844,644	9,681,137
Restricted	880,799	1,078,739
Unrestricted	321,765	1,070,977
Total Net Position	\$ 12,047,208	\$ 11,830,853

One component of the Village's net position is net investment in capital assets \$10,844,644, which reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

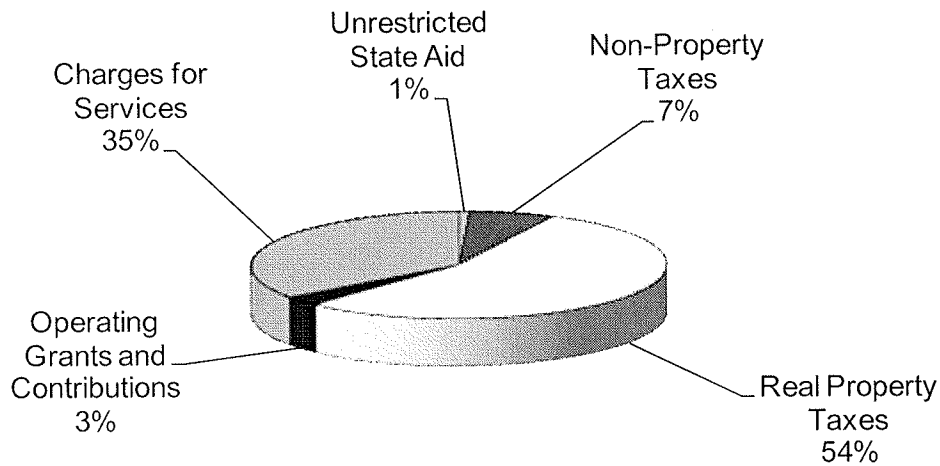
The restricted net position of \$880,799 represents resources that are subject to external restrictions on their use. The restrictions are:

	May 31,	
	2013	2012
Capital Projects	\$ 448,046	\$ 656,681
Future Capital Projects	77,660	77,466
Debt Service	269,880	259,389
Special Purpose	85,213	85,203
Restricted Net Assets	\$ 880,799	\$ 1,078,739

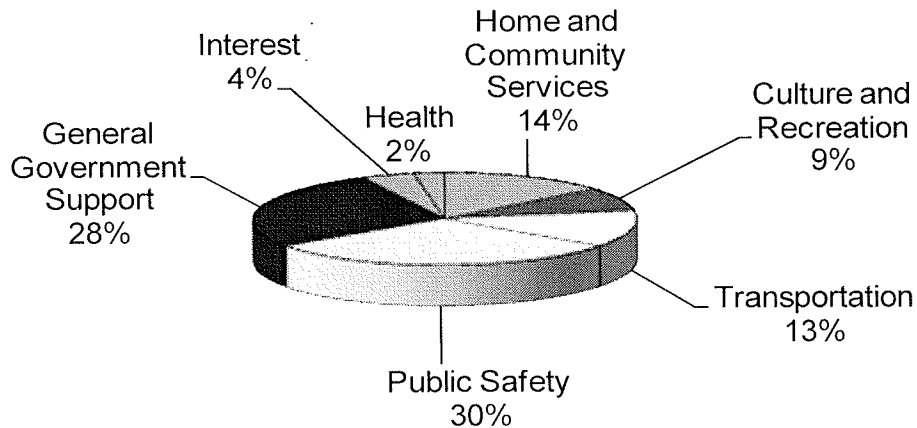
Changes in Net Position

	Year Ended May 31,	
	2013	2012
Program Revenues		
Charges for Services	\$ 6,547,131	\$ 5,992,319
Operating Grants and Contributions	590,806	608,411
Capital Grants and Contributions	57,366	249,975
General Revenues		
Real Property Taxes	10,582,668	10,338,686
Other Tax Items	62,241	55,325
Non-Property Taxes	1,301,659	1,274,277
Unrestricted Use of Money and Property	6,125	9,157
Sale of Property and Compensation for Loss	76,728	120,765
Unrestricted State Aid	158,408	144,655
Insurance recoveries	92,816	-
Miscellaneous	416	13,302
Total Revenues	<u>19,476,364</u>	<u>18,806,872</u>
Program Expenses		
General Government Support	5,271,393	5,207,037
Public Safety	5,733,073	5,658,031
Health	489,459	414,179
Transportation	2,407,708	2,372,047
Economic Opportunity and Development	214,777	75,414
Culture and Recreation	1,653,975	1,593,985
Home and Community Services	2,664,412	2,692,656
Interest	825,212	863,073
Total Expenses	<u>19,260,009</u>	<u>18,876,422</u>
Change in Net Position	216,355	(69,550)
Net Position - Beginning	<u>11,830,853</u>	<u>11,900,403</u>
Net Position - Ending	<u>\$ 12,047,208</u>	<u>\$ 11,830,853</u>

Sources of Revenue for Fiscal Year 2013 Governmental Activities



Sources of Expenses for Fiscal Year 2013 Governmental Activities



Governmental Activities: Governmental activities increased the Village's net position by \$216,355.

For the fiscal year ended May 31, 2013, revenues from governmental activities totaled \$19,476,364. Tax revenues of \$11,946,568, consisting of real property taxes, other tax items and non-property taxes, represented the largest revenue source at 61%.

Financial Analysis of the Government's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Village's fiscal period ending December 31, 2013. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

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

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

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

Governmental Funds - The table below outlines the various balances that comprise the total fund balance of the Village as of May 31, 2013 according to their GASB Statement No. 54 classifications along with what the former classifications would have been. More detailed information about the Village's fund balance is presented in note 3.J in the notes to financial statements.

<u>GASB No. 54 Classification</u>	<u>Includes Former Classifications</u>	<u>Fund Balance</u>
Nonspendable Fund Balance	Prepaid Expenditures	\$ 910
	Advances	52,431
		<u>53,341</u>
Restricted Fund Balance	Reserved for Employee Benefits	972,827
	Reserved for Future Capital Projects	77,660
	Reserved for Debt Service	194,880
	Reserved for Capital Projects	7,207,830
	Reserved for Parklands	85,084
	Reserved for Trusts	129
		<u>8,538,410</u>
Assigned Fund Balance	Reserved for Encumbrances:	
	General Government Support	49,740
	Public Safety	35,096
	Health	22,361
	Transportation	79,578
	Culture and Recreation	39,770
	Home and Community Services	58,358
	Designated for Subsequent Year's Expenditures:	
	Unassigned Fund Balance	775,000
	Designated for Future Retirement	
	Expenditures	380,300
	Water	63,390
		<u>1,503,593</u>
Unassigned Fund Balance	Unreserved and Undesignated:	
	General Fund	4,890,443
	Sewer	(52,431)
		<u>4,838,012</u>
Total Fund Balance (as of May 31, 2013)		<u>\$ 14,933,356</u>

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

As of the end of the current fiscal year, the Village's governmental funds reported combined fund balances of \$14,933,356, an increase of \$4,079,649 from the prior year.

General Fund Budgetary Highlights

When the fiscal 2012-2013 budget was adopted, it anticipated the use of \$650,000 of fund balance. However, actual results of operations resulted in an increase of \$243,164 to fund balance. Overall, General Fund expenditures and other financing uses were \$17,555,487,

Village of Croton-on-Hudson, New YorkStatement of Net Position
May 31, 2013

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 15,676,325
Investments	115,658
Receivables	
Taxes, net	89,186
Accounts	128,860
Water rents	729,866
Sewer rents	54,480
State and Federal aid	324,216
Due from other governments	582,686
Prepaid expenses	910
Deferred charges	83,566
Capital assets	
Not being depreciated	18,716,481
Being depreciated, net	10,794,792
Total Assets	<u>47,297,026</u>
LIABILITIES	
Accounts payable	610,781
Accrued liabilities	363,218
Bond anticipation notes payable	895,786
Due to other governments	144
Unearned revenues	821,819
Accrued interest payable	209,284
Non-current liabilities	
Due within one year	2,164,483
Due in more than one year	30,184,303
Total Liabilities	<u>35,249,818</u>
NET POSITION	
Net investment in capital assets	10,844,644
Restricted	
Capital projects	448,046
Future capital projects	77,660
Debt service	269,880
Special purpose	85,213
Unrestricted	321,765
Total Net Position	<u>\$ 12,047,208</u>

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

Village of Croton-on-Hudson, New York

Statement of Activities Year Ended May 31, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 5,271,393	\$ 300,699	\$ 3,475	\$ 15,443
Public safety	5,733,073	491,358	68,351	-
Health	489,459	276,342	92,836	-
Transportation	2,407,708	3,009,907	423,114	15,332
Economic opportunity and development	214,777	-	-	-
Culture and recreation	1,653,975	227,071	2,897	16,100
Home and community services	2,664,412	2,241,754	133	-
Interest	825,212	-	-	10,491
Total Governmental Activities	<u>\$ 19,260,009</u>	<u>\$ 6,547,131</u>	<u>\$ 590,806</u>	<u>\$ 57,366</u>

General revenues
Real property taxes
Other tax items
Interest and penalties on real property taxes
Non-property taxes
Non-property tax distribution from County
Franchise fees
Utilities gross receipts taxes
Unrestricted use of money and property
Sale of property and compensation for loss
Unrestricted State aid
Miscellaneous
Insurance recoveries

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

<hr/> Net (Expense) Revenue and Changes in Net Position	
\$	(4,951,776)
	(5,173,364)
	(120,281)
	1,040,645
	(214,777)
	(1,407,907)
	(422,525)
	(814,721)
	<hr/>
	(12,064,706)
	<hr/>
	10,582,668
	62,241
	1,092,131
	70,481
	139,047
	6,125
	76,728
	158,408
	416
	92,816
	<hr/>
	12,281,061
	<hr/>
	216,355
	11,830,853
	<hr/>
\$	<u>12,047,208</u>

Village of Croton-on-Hudson, New York

Balance Sheet
Governmental Funds
May 31, 2013

	General	Water	Debt Service
ASSETS			
Cash and equivalents	\$ 7,049,802	\$ 63,412	\$ -
Investments	12,738	-	53,516
Taxes receivable, net of allowance for uncollectible amounts	89,186	-	-
Other receivables			
Accounts	123,930	-	-
Water rents	-	729,866	-
Sewer rents	-	-	-
State and Federal aid	280,602	-	-
Due from other governments	582,686	-	-
Due from other funds	353,461	19	419,515
Advances to other funds	52,431	-	-
Prepaid expenditures	880	30	-
Total Assets	\$ 8,545,716	\$ 793,327	\$ 473,031
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 429,606	\$ 45,535	\$ -
Accrued liabilities	346,126	17,092	-
Bond anticipation notes payable	-	-	-
Due to other funds	2,167	539,071	203,151
Due to other governments	144	-	-
Unearned revenues	459,355	-	-
Unearned tax revenues	77,083	-	-
Advances from other funds	-	-	-
Total Liabilities	1,314,481	601,698	203,151
Fund balances (deficits)			
Nonspendable	53,311	30	-
Restricted	957,612	92,875	194,880
Assigned	1,329,869	98,724	75,000
Unassigned	4,890,443	-	-
Total Fund Balances	7,231,235	191,629	269,880
Total Liabilities and Fund Balances	\$ 8,545,716	\$ 793,327	\$ 473,031

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 8,515,022	\$ 48,089	\$ 15,676,325
-	49,404	115,658
-	-	89,186
4,930	-	128,860
-	-	729,866
-	54,480	54,480
43,614	-	324,216
-	-	582,686
115,436	729	889,160
-	-	52,431
-	-	910
<u>\$ 8,679,002</u>	<u>\$ 152,702</u>	<u>\$ 18,643,778</u>

\$ 125,870	\$ 9,770	\$ 610,781
-	-	363,218
895,786	-	895,786
87,052	57,719	889,160
-	-	144
362,464	-	821,819
-	-	77,083
-	52,431	52,431
<u>1,471,172</u>	<u>119,920</u>	<u>3,710,422</u>

-	-	53,341
7,207,830	85,213	8,538,410
-	-	1,503,593
-	(52,431)	4,838,012
<u>7,207,830</u>	<u>32,782</u>	<u>14,933,356</u>
<u>\$ 8,679,002</u>	<u>\$ 152,702</u>	<u>\$ 18,643,778</u>

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Village of Croton-on-Hudson, New York

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

Fund Balances - Total Governmental Funds	<u>\$ 14,933,356</u>
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>29,511,273</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	<u>77,083</u>
Governmental funds report the effects of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	<u>83,566</u>
Long-term and other liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(209,284)
Bonds payable	(23,567,143)
Installment purchase debt payable	(2,015,466)
Compensated absences	(2,079,757)
Other post employment benefit obligations payable	<u>(4,686,420)</u>
	<u>(32,558,070)</u>
Net Position of Governmental Activities	<u><u>\$ 12,047,208</u></u>

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

Village of Croton-on-Hudson, New York
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended May 31, 2013

	General	Water	Debt Service
REVENUES			
Real property taxes	\$ 10,583,568	\$ -	\$ -
Other tax items	62,241	-	-
Non-property taxes	1,301,659	-	-
Departmental income	3,898,389	2,010,300	-
Use of money and property	164,174	133	10,491
Licenses and permits	128,759	-	-
Fines and forfeitures	221,218	-	-
Sale of property and compensation for loss	76,728	-	-
Interfund revenues	522,000	-	-
State aid	264,271	-	-
Federal aid	481,397	-	-
Miscellaneous	1,431	-	-
Total Revenues	17,705,835	2,010,433	10,491
EXPENDITURES			
Current			
General government support	3,468,621	244,863	-
Public safety	3,422,819	-	-
Health	466,854	-	-
Transportation	1,486,137	-	-
Economic opportunity and development	49,948	-	-
Culture and recreation	1,052,030	-	-
Home and community services	1,240,592	1,168,112	-
Employee benefits	4,067,305	268,852	-
Debt service	-	-	1,662,352
Principal	-	-	828,493
Interest	8,923	-	76,313
Refunding bonds issuance costs	-	-	-
Capital outlay	-	-	-
Total Expenditures	15,263,229	1,681,827	2,567,158
Excess (Deficiency) of Revenues Over Expenditures	2,442,606	328,606	(2,556,667)
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Refunding bonds issued	-	-	3,270,000
Premium on bonds issued	-	-	163,283
Payment to refunded bond escrow agent	-	-	(3,356,970)
Insurance recoveries	92,816	-	-
Transfers in	-	-	2,490,845
Transfers out	(2,292,258)	(312,766)	-
Total Other Financing Sources (Uses)	(2,199,442)	(312,766)	2,567,158
Net Change in Fund Balances	243,164	15,840	10,491
Fund Balances - Beginning of Year	6,988,071	175,789	259,389
Fund Balances - End of Year	\$ 7,231,235	\$ 191,629	\$ 269,880

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 10,583,568
-	-	62,241
-	-	1,301,659
-	132,804	6,041,493
-	10	174,808
-	-	128,759
-	-	221,218
-	-	76,728
-	-	522,000
15,332	-	279,603
15,443	-	496,840
16,100	-	17,531
46,875	132,814	19,906,448
-	23,997	3,737,481
-	-	3,422,819
-	-	466,854
-	-	1,486,137
-	-	49,948
-	-	1,052,030
-	74,256	2,482,960
-	5,356	4,341,513
-	-	1,662,352
-	-	837,416
-	-	76,313
1,097,605	-	1,097,605
1,097,605	103,609	20,713,428
(1,050,730)	29,205	(806,980)
4,717,500	-	4,717,500
-	-	3,270,000
-	-	163,283
-	-	(3,356,970)
-	-	92,816
182,282	50,000	2,723,127
(50,000)	(68,103)	(2,723,127)
4,849,782	(18,103)	4,886,629
3,799,052	11,102	4,079,649
3,408,778	21,680	10,853,707
\$ 7,207,830	\$ 32,782	\$ 14,933,356

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Village of Croton-on-Hudson, New York

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended May 31, 2013

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

Net Change in Fund Balances - Total Governmental Funds	\$ 4,079,649
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	
Capital outlay expenditures	1,123,393
Depreciation expense	(811,181)
	<u>312,212</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	(900)
Issuance of debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Bonds issued	(4,717,500)
Refunding bonds issued	(3,270,000)
Principal paid on serial bonds	1,536,060
Principal paid on installment purchase debt	126,292
Payment to refunded bond escrow agent	3,356,970
Premium on bonds issued	(163,283)
Amortization of issuance costs, loss on refunding and issuance premium	(9,490)
	<u>(3,140,951)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	7,766
Compensated absences	(83,326)
Other post employment benefit obligations	(958,095)
	<u>(1,033,655)</u>
Change in Net Position of Governmental Activities	\$ <u>216,355</u>

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

Village of Croton-on-Hudson, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General and Water Funds
Year Ended May 31, 2013

	General			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 10,583,032	\$ 10,583,032	\$ 10,583,568	\$ 536
Other tax items	45,001	45,001	62,241	17,240
Non-property taxes	1,184,000	1,184,000	1,301,659	117,659
Departmental income	3,736,547	3,740,366	3,898,389	158,023
Use of money and property	162,500	162,500	164,174	1,674
Licenses and permits	76,000	76,000	128,759	52,759
Fines and forfeitures	210,100	210,100	221,218	11,118
Sale of property and compensation for loss	19,500	19,500	76,728	57,228
Interfund revenues	522,000	522,000	522,000	-
State aid	157,813	161,350	264,271	102,921
Federal aid	-	100,186	481,397	381,211
Miscellaneous	-	-	1,431	1,431
Total Revenues	16,696,493	16,804,035	17,705,835	901,800
EXPENDITURES				
Current				
General government support	3,381,922	3,524,327	3,468,621	55,706
Public safety	3,475,614	3,462,817	3,422,819	39,998
Health	426,527	503,052	466,854	36,198
Transportation	2,281,535	1,576,744	1,486,137	90,607
Economic opportunity and development	50,970	50,970	49,948	1,022
Culture and recreation	1,168,127	1,098,934	1,052,030	46,904
Home and community services	548,653	1,302,744	1,240,592	62,152
Employee benefits	4,127,409	4,068,964	4,067,305	1,659
Debt service				
Interest	12,707	12,707	8,923	3,784
Total Expenditures	15,473,464	15,601,259	15,263,229	338,030
Excess of Revenues Over Expenditures	1,223,029	1,202,776	2,442,606	1,239,830
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	7,900	93,711	92,816	(895)
Transfers out	(2,216,762)	(2,295,662)	(2,292,258)	3,404
Total Other Financing Uses	(2,208,862)	(2,201,951)	(2,199,442)	2,509
Net Change in Fund Balances	(985,833)	(999,175)	243,164	1,242,339
Fund Balances - Beginning of Year	985,833	999,175	6,988,071	5,988,896
Fund Balances - End of Year	\$ -	\$ -	\$ 7,231,235	\$ 7,231,235

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

Water			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
2,074,943	2,074,943	2,010,300	(64,643)
500	500	133	(367)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,075,443	2,075,443	2,010,433	(65,010)
265,926	279,594	244,863	34,731
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,237,347	1,216,174	1,168,112	48,062
263,790	271,295	268,852	2,443
-	-	-	-
1,767,063	1,767,063	1,681,827	85,236
308,380	308,380	328,606	20,226
-	-	-	-
(312,767)	(312,767)	(312,766)	1
(312,767)	(312,767)	(312,766)	1
(4,387)	(4,387)	15,840	20,227
4,387	4,387	175,789	171,402
\$ -	\$ -	\$ 191,629	\$ 191,629

Village of Croton-on-Hudson, New York

**Statement of Changes in Fiduciary Net Position
Pension Trust Fund - Fire Service Awards Program
Year Ended May 31, 2013**

ADDITIONS

Earnings on investments	\$ 31,853
Pension contributions	93,287
Net change in fair value of investments	<u>39,066</u>
Total Additions	164,206

DEDUCTIONS

Pension benefits	<u>24,764</u>
Change in Net Position	139,442

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

713,492

Net Position Held in Trust for Pension Benefits -
End of Year

\$ 852,934

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

Village of Croton-on-Hudson, New York

Statement of Net Position
Fiduciary Funds
May 31, 2013

	Agency	Pension Trust
ASSETS		
Cash and equivalents	\$ 249,709	\$ 25,158
Investments, at fair value		
International Equities	-	35,457
Fixed Income	-	491,353
Mixed Assets	-	205,471
	-	732,281
Accounts receivable	5,973	95,495
Total Assets	255,682	852,934
LIABILITIES		
Accounts payable	27,623	-
Employee payroll deductions	110,866	-
Deposits	117,193	-
Total Liabilities	255,682	-
NET POSITION		
Held in trust for pension benefits (A schedule of funding progress for the plan is presented in the required supplementary information)	\$ -	\$ 852,934

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

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Note 1 - Summary of Significant Accounting Policies

The Village of Croton-on-Hudson, New York ("Village") was established in 1898 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

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

The Statement of Net Position presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Other items not identified as program revenues are reported as general revenues. The Village does not allocate indirect expenses to functions in the Statement of Activities.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

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

Fund Categories

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

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

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are assigned, restricted or committed to expenditures for certain defined purposes. The major special revenue fund of the Village is the Water Fund. The Water Fund is used to record the water utility operations of the Village, which renders services on a user charge basis to the general public.

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

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Special Revenue Funds:

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

Sewer Fund - The Sewer Fund is used to record the sewer utility operations of the Village, which renders services on a user charge basis to the general public.

- b. Fiduciary Funds (Not Included in Government-Wide Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. These include Pension Trust and Agency Funds. The Pension Trust Fund is provided to account for the Village's Fire Service Awards Program. The Agency Fund accounts for employee payroll tax withholdings and deposits that are payable to other jurisdictions or individuals.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements and the pension trust fund are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

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

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

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2013.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Investments of the Pension Trust Fund are held on deposit with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. These investments are not subject to risk categorization.

Property Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of June 1st and are levied and payable in June. The Village is responsible for the billing and collection of its own taxes. The Village also has the responsibility for in-rem foreclosure proceedings.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Village. Receivables are recorded and revenues recognized as earned or as specific program expenses/expenditures are incurred. Allowances are recorded where appropriate.

Due From/To Other Funds - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2013, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Advances To/From Other Funds - Advances to/from other funds represent loans to other funds, which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by a fund balance reserve in the fund financial statements, which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

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

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the district-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Charges - Deferred charges in the district-wide financial statements represent the unamortized portion of the cost of issuance of bonds. These costs are being amortized over the term of the respective bond issues.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the Village are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Machinery and Equipment	5-20
Infrastructure	15-50

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

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

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$77,083 for real property taxes and \$459,355 for parking permit fees received in advance in the General Fund and \$362,464 for State and Federal aid received in advance in the Capital Projects Fund. These amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

As of May 31, 2013, no amounts were required to be reported as deferred outflows/inflows of resources.

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

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

Note 1 - Summary of Significant Accounting Policies (Continued)

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 7, 2013.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The Village generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General, Water, Debt Service and Sewer funds.
- f) Budgets for General, Water, Debt Service and Sewer funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund.
- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- h) Appropriations in General, Water, Debt Service and Sewer funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Property Tax Limitation

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2012-2013 was \$25,984,790 which exceeded the actual levy (inclusive of exclusions) by \$17,634,969.

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

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

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

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

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

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2013

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Application of Accounting Standards

For the year ended May 31, 2013, the Village implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" ("GASB Statement No. 63"). This statement provides financial reporting guidance for these elements first introduced in GASB Concept Statement No. 4, "Elements of Financial Statements". Previous financial reporting standards did not include guidance for reporting these financial statement elements, which are distinct from assets and liabilities.

D. Expenditures in Excess of Budget

The following capital projects exceeded their budgetary authorization by the amounts indicated:

Station Parking Lot Phase II	\$	154
Ambulance Duty Vehicle		705
Purchase of Land		3,206
Equipment		26,468
Valve Replacement and Installation		20,153
Chief Car Replacement		139
Road Sidewalks and Curbs		34,321
Equipment - Brush Chipper		4,245
Equipment - Police Cruiser		274
Replacement of Police Server		209
Voice Recorder		144
Fire FCC Narrowband Radio Compliance Plan		488

E. Fund Deficits

The Sewer Fund has an unassigned deficit of \$52,431 at May 31, 2013. The Village plans to address this deficit in the subsequent year.

F. Capital Projects Fund Deficits

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

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2013

Note 3 - Detailed Notes on All Funds**A. Taxes Receivable**

Taxes receivable at May 31, 2013 consisted of the following:

Current year	\$ 68,294
Prior years	<u>143,388</u>
	211,682
Less - Allowance for uncollectible amounts	<u>(122,496)</u>
	<u>\$ 89,186</u>

B. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2013 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 353,461	\$ 2,167
Water	19	539,071
Debt Service	419,515	203,151
Capital Projects	115,436	87,052
Non-Major Governmental	729	57,719
	<u>\$ 889,160</u>	<u>\$ 889,160</u>

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

C. Capital Assets

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

	<u>Balance June 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2013</u>
Capital Assets, not being depreciated				
Land	\$ 4,773,011	\$ -	\$ -	\$ 4,773,011
Construction-in-progress	12,879,287	1,064,183	-	13,943,470
Total Capital Assets, not being depreciated	<u>\$ 17,652,298</u>	<u>\$ 1,064,183</u>	<u>\$ -</u>	<u>\$ 18,716,481</u>

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

	Balance June 1, 2012	Additions	Deletions	Balance May 31, 2013
Capital Assets, being depreciated				
Buildings and improvements	\$ 8,820,792	\$ -	\$ -	\$ 8,820,792
Machinery and equipment	4,645,929	59,210	73,510	4,631,629
Infrastructure	28,345,597	-	-	28,345,597
Total Capital Assets, being depreciated	41,812,318	59,210	73,510	41,798,018
Less Accumulated Depreciation for				
Buildings and improvements	3,646,971	276,473	-	3,923,444
Machinery and equipment	3,490,009	289,359	73,510	3,705,858
Infrastructure	23,128,575	245,349	-	23,373,924
Total Accumulated Depreciation	30,265,555	811,181	73,510	31,003,226
Total Capital Assets, being depreciated, net	\$ 11,546,763	\$ (751,971)	\$ -	\$ 10,794,792
Capital Assets, net	\$ 29,199,061	\$ 312,212	\$ -	\$ 29,511,273

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

General Government Support	\$ 105,453
Public Safety	442,094
Transportation	194,684
Economic Opportunity and Development	4,056
Culture and Recreation	40,559
Home and Community Services	24,335
	<u>\$ 811,181</u>

D. Accrued Liabilities

Accrued liabilities at May 31, 2013 were as follows:

	General Fund	Water Fund	Total
Payroll and employee benefits	\$ 346,126	\$ 17,092	\$ 363,218

E. Pension Plans

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") ("Systems"). The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The Systems are non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2013 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75i/41J	25.4%
	3 A14/41J	18.6
	4 A15/41J	18.6
	5 A15/41J	15.1
	6 A15/41J2	10.1
PFRS	1 384D/3029D	30.2
	2 384D	25.1
	3 384D	24.2
	5 384D	24.1
	6 384D	21.6

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

	<u>ERS</u>	<u>PFRS</u>
2013	\$ 921,350	\$ 713,562
2012	853,295	532,620
2011	544,728	462,669

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

Of the current year ERS contribution, \$834,732 was charged to the General Fund, \$82,983 was charged to the Water Fund and \$3,635 was charged to the Sewer Fund. The current year ERS contribution included \$166,016 of 2010 Retirement Incentive, Part A paid in a lump sum. The PFRS contribution was charged to the General Fund.

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Pension Trust - Fire Service Awards Program

The Village, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18 and completion of one year of service, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant upon attainment of entitlement age and one year of plan participation shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 20 years. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles. Separate financial statements are not issued by the program.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2012</u>
Active - non-vested	72
Retirees and beneficiaries currently receiving benefits	20
Terminated employees entitled to benefits but not yet receiving them	-

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the entry age normal frozen initial liability cost method. The assumed investment rate of return is 6.0% and there are no cost of living adjustments.

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

	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of Annual Program Cost Contributed</u>
2013	\$ 93,287	\$ 93,287	100.00 %
2012	96,529	96,529	100.00
2011	92,595	92,595	100.00

Since the net pension obligation is not separately amortized, the annual required contribution is equal to the annual pension costs.

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

F. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance June 1, 2012	New Issues	Redemptions	Balance May 31, 2013
Various	1/12/2012	-	- %	\$ 844,128	\$ -	\$ 844,128	\$ -
Various	5/14/2013	1/10/2014	0.99	-	155,040	-	155,040
Various	1/10/2013	1/10/2014	1.06	-	740,746	-	740,746
Total				<u>\$ 844,128</u>	<u>\$ 895,786</u>	<u>\$ 844,128</u>	<u>\$ 895,786</u>

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

Interest expenditures of \$8,923 were recorded in the fund financial statements in the General Fund. Interest expense of \$7,845 was recorded in the government-wide financial statements for governmental activities.

G. Long-Term Liabilities

The changes in the Village's long-term indebtedness during the year ended May 31, 2013 are summarized as follows:

	Balance June 1, 2012	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2013	Due Within One Year
Bonds Payable	\$ 20,286,060	\$ 7,987,500	\$ 4,741,060	\$ 23,532,500	\$ 1,822,500
Less - Loss on refunding	(17,727)	(151,970)	(8,865)	(160,832)	-
Plus - Issuance premium	45,495	163,283	13,303	195,475	-
	20,313,828	7,998,813	4,745,498	23,567,143	1,822,500
Other Non-Current Liabilities:					
Installment Purchase					
Debt Payable	2,141,758	-	126,292	2,015,466	133,983
Compensated Absences	1,996,431	283,326	200,000	2,079,757	208,000
Other Post Employment Benefit					
Obligations Payable	3,728,325	1,624,614	666,519	4,686,420	-
Total Long-Term Liabilities	<u>\$ 28,180,342</u>	<u>\$ 9,906,753</u>	<u>\$ 5,738,309</u>	<u>\$ 32,348,786</u>	<u>\$ 2,164,483</u>

Each governmental fund's liability for compensated absences and other post employment benefit obligations is liquidated by the General, Water and Sewer funds. The Village's indebtedness for

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

bonds and installment purchase debt is liquidated by the Debt Service Fund which is funded by the General, Water and Sewer Funds.

Bonds Payable

Bonds payable at May 31, 2013 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2013
Various Purposes	2004	1,263,750	March, 2017	3.200 %	\$ 115,000
Various Purposes	2005	2,649,000	February, 2025	3.50-4.000	255,000
Various Purposes	2007	2,267,100	July, 2026	4.490	1,780,000
Various Purposes	2007	1,415,800	February, 2027	4.00-4.250	1,105,000
Various Purposes	2008	1,058,548	April, 2022	3.75-4.200	745,000
Various Purposes	2009	4,972,500	May, 2028	2.25-4.375	4,200,000
Refunding Bond	2011	3,080,000	May, 2019	2.00-3.000	2,270,000
Various Purposes	2011	3,801,500	March, 2030	2.25-4.000	3,475,000
Various Purposes	2012	1,686,060	April, 2028	2.00-4.000	1,600,000
Refunding Bond	2013	3,270,000	November, 2024	1.00-3.00	3,270,000
Various Purposes	2013	4,717,500	May, 2033	1.00-3.00	4,717,500
					<u>\$ 23,532,500</u>

Interest expenditures of \$701,854 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$692,128 was recorded in the government-wide financial statements for governmental activities.

Installment Purchase Debt

The Village had entered into a contract to purchase land at a cost of \$4,000,000. An initial payment of \$500,000 was made at the closing and the balance of \$3,500,000 is payable in semi-annual installments of \$126,465, including interest at a rate of 6.0% per annum through 2024. The balance due at May 31, 2013 was \$2,015,466.

Interest expenditures of \$126,639 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$125,239 was recorded in the government-wide financial statements for governmental activities.

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded and installment purchase debt outstanding as of May 31, 2013, including interest payments of \$6,655,244 are as follows:

Year Ending May 31,	Bonds		Installment Purchase Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 1,822,500	\$ 700,053	\$ 133,983	\$ 118,948	\$ 1,956,483	\$ 819,001
2015	1,860,000	650,660	142,142	110,788	2,002,142	761,448
2016	1,915,000	596,266	150,799	102,132	2,065,799	698,398
2017	1,970,000	543,848	159,982	92,948	2,129,982	636,796
2018	1,550,000	494,410	169,725	83,205	1,719,725	577,615
2019-2023	6,495,000	1,869,683	1,016,850	247,804	7,511,850	2,117,487
2024-2028	6,005,000	879,644	241,985	10,943	6,246,985	890,587
2029-2033	1,915,000	153,912	-	-	1,915,000	153,912
	<u>\$ 23,532,500</u>	<u>\$ 5,888,476</u>	<u>\$ 2,015,466</u>	<u>\$ 766,768</u>	<u>\$ 25,547,966</u>	<u>\$ 6,655,244</u>

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

Advance Refunding

During the current fiscal year, the Village issued \$3,270,000 in serial bonds with interest rates ranging from 1.0% to 3.0%, depending on maturity. The proceeds were used to refund \$555,000 of the 2002 various purpose serial bonds bearing interest at 4.75%, \$650,000 of the 2003 various purpose serial bonds bearing interest at 3.92%, \$365,000 of the 2004 various purpose serial bonds bearing interest at 3.2% and \$1,635,000 of 2005 various purpose serial bonds bearing interest at rates ranging from 3.5% to 4.0%. The net proceeds of \$3,356,970 (net of a \$163,283 re-offering premium and after payment of \$76,313 in underwriting fees and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2002, 2003, 2004 and 2005 serial bonds. As a result, the 2002, 2003, 2004 and 2005 serial bonds are considered defeased and the liability for those serial bonds has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$151,970 and the premium received was \$163,283. These amounts are being netted against the new debt and amortized over the remaining life of the refunded debt.

The Village advance refunded the 2002, 2003, 2004 and 2005 serial bonds to reduce its total debt service payments over 12 years by \$250,707 and to obtain a net present value economic gain of \$228,534.

As of May 31, 2013, the defeased bonds outstanding were \$2,000,000.

Compensated Absences

Under the terms of existing collective bargaining agreements, employees are entitled to accumulate sick and vacation leave based upon the terms of their respective collective bargaining agreements.

Note 3 - Detailed Notes on All Funds (Continued)

Payments upon separation of service varies with each agreement. The Village's liability for accumulated sick and vacation leave has been recorded in the government-wide financial statements.

Other Post Employment Benefit Obligations

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing post employment health care benefits is shared between the Village and the retired employee. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statements.

The Village's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Village is required to accrue on the district-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the expected rate of return on the Village's general assets. Funding for the Plan has been established on a pay-as-you-go basis. The assumed increase in postretirement benefits is as follows:

Year Ended May 31	Medical Rates	
	Pre-65	Post-65
2014	7.00 %	5.00 %
2015	6.00	5.00
2016+	5.00	5.00

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

The amortization basis is the level of percentage of payroll method with a closed amortization approach with 25 years remaining in the amortization period. The actuarial assumptions include a 4.0% investment rate of return and a 2.5% projected annual increase in payroll. The Village currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the entry age method.

The number of participants as of May 31, 2013 was as follows:

Active Employees	63
Retired Employees	<u>46</u>
	<u>109</u>

Amortization Component	
Actuarial Accrued Liability as of June 1, 2012	\$ 24,328,430
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 24,328,430</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 7,488,838</u>
UAAL as a Percentage of Covered Payroll	<u>324.86%</u>
Annual Required Contribution	\$ 1,649,596
Interest on Net OPEB Obligation	149,134
Adjustment to ARC	<u>(174,116)</u>
Annual OPEB Cost	1,624,614
Contributions Made	<u>(666,519)</u>
Increase in Net OPEB Obligation	958,095
Net OPEB Obligation - Beginning of Year	<u>3,728,325</u>
Net OPEB Obligation - End of Year	<u>\$ 4,686,420</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and preceding year is as follows:

Fiscal Year Ended May 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 1,624,614	41.03 %	\$ 4,686,420
2012	1,554,774	37.78	3,728,325
2011	1,506,159	36.95	2,760,887

Note 3 - Detailed Notes on All Funds (Continued)

The schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

H. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In			Total
	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ 2,109,976	\$ 182,282	\$ -	\$ 2,292,258
Water Fund	312,766	-	-	312,766
Capital Projects Fund	-	-	50,000	50,000
Non-Major Governmental Funds	68,103	-	-	68,103
	<u>\$ 2,490,845</u>	<u>\$ 182,282</u>	<u>\$ 50,000</u>	<u>\$ 2,723,127</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due, 2) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

I. Net Position

The components of net position are detailed below:

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

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

Restricted for Future Capital Projects - the component of net position that has been established pursuant to General Municipal Law, which is restricted for future improvements to the water distribution system.

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

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Special Purpose - the component of net position that reports the difference between assets and liabilities of the certain programs with constraints placed on their use by either external parties and/or statute.

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

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued) May 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2013						2012					
	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable												
Prepaid expenditures	\$ 880	\$ 30	\$ -	\$ -	\$ -	\$ 910	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 500
Advances	52,431	-	-	-	-	52,431	63,523	-	-	-	-	63,523
Total Nonspendable	53,311	30	-	-	-	53,341	64,023	-	-	-	-	64,023
Restricted												
Employee benefits	957,612	15,215	-	-	-	972,827	955,224	15,215	-	-	-	970,439
Future capital projects	-	77,660	-	-	-	77,660	-	77,466	-	-	-	77,466
Debt service	-	-	194,880	-	-	194,880	-	-	259,389	-	-	259,389
Capital projects	-	-	-	7,207,830	-	7,207,830	-	-	-	3,408,778	-	3,408,778
Parklands	-	-	-	-	85,084	85,084	-	-	-	-	85,074	85,074
Trusts	-	-	-	-	129	129	-	-	-	-	129	129
Total Restricted	957,612	92,875	194,880	7,207,830	85,213	8,538,410	955,224	92,681	259,389	3,408,778	85,203	4,801,275
Assigned												
Purchases on order	49,725	15	-	-	-	49,740	48,347	-	-	-	-	48,347
General government support	35,096	-	-	-	-	35,096	37,515	-	-	-	-	37,515
Public safety	22,361	-	-	-	-	22,361	33,732	-	-	-	-	33,732
Health	79,578	-	-	-	-	79,578	89,953	-	-	-	-	89,953
Transportation	-	-	-	-	-	-	1,750	-	-	-	-	1,750
Economic opportunity and development	39,770	-	-	-	-	39,770	33,899	-	-	-	-	33,899
Culture and recreation	53,339	5,019	-	-	-	58,358	90,637	4,387	-	-	-	95,024
Home and community services	279,869	5,034	-	-	-	284,903	335,833	4,387	-	-	-	340,220
Subsequent year's expenditures	700,000	-	75,000	-	-	775,000	650,000	-	-	-	-	650,000
Future retirement expenditures	350,000	30,300	-	-	-	380,300	350,000	30,300	-	-	-	380,300
Water	-	63,390	-	-	-	63,390	-	48,421	-	-	-	48,421
Total Assigned	1,329,869	98,724	75,000	-	-	1,503,593	1,335,833	83,108	-	-	-	1,418,941
Unassigned	4,890,443	-	-	-	(52,431)	4,838,012	4,632,991	-	-	-	(63,523)	4,569,468
Total Fund Balances	\$ 7,231,235	\$ 191,629	\$ 269,880	\$ 7,207,830	\$ 32,782	\$ 14,933,356	\$ 6,988,071	\$ 175,789	\$ 259,389	\$ 3,408,778	\$ 21,680	\$ 10,853,707

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

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

The Advances has been established to indicate the long-term nature of funds advanced to the Sewer Fund. The funds do not represent "available" spendable resources even though they are a component of current assets.

The Restriction for Employee Benefits represents funds set aside for the payment of accumulated vacation and sick leave in accordance with various collective bargaining agreements and pursuant to General Municipal Law.

The Restriction for Parklands represents funds received by the Village in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

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

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

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

The future retirement expenditures represents funds set aside for the payment of future retirement expenditures.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the non-major governmental funds represent the deficit in the Sewer Fund.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Village if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year in which the payment is made.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Contingencies

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains general liability and public officials liability insurance coverage with policy limits of \$1 million per occurrence. In addition, the Village maintains an umbrella policy with a coverage limit of \$5 million. The law enforcement liability policy provides coverage up to \$1 million. In addition, the Village purchases workers' compensation insurance with coverage at statutory limits. Conventional health insurance is also provided to employees. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Village of Croton-on-Hudson, New York

Required Supplementary Information - Schedule of Funding Progress

Pension Trust Fund - Fire Service Awards Program

Last Six Fiscal Years

Actuarial Valuation Date December 31,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio
2007	\$ 236,035	\$ 303,895	\$ 67,860	77.67 %
2008	262,837	396,266	133,429	66.33
2009	411,133	472,413	61,280	87.03
2010	545,549	543,678	(1,871)	100.34
2011	616,963	620,918	3,955	99.36
2012	759,647	701,715	(57,932)	108.26

Village of Croton-on-Hudson, New York

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

<u>Year Ended May 31,</u>	<u>Annual Required Contribution</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2008	\$ 79,321	\$ 79,321	100.00 %
2009	106,086	106,086	100.00
2010	102,780	102,780	100.00
2011	92,595	92,595	100.00
2012	96,529	96,529	100.00
2013	93,287	93,287	100.00

Village of Croton-on-Hudson, New York

Required Supplementary Information - Schedule of Funding Progress

Other Post Employment Benefits

Last Three Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2012	\$ -	\$ 24,328,430	\$ 24,328,430	- %	\$ 7,488,838	324.86 %
June 1, 2011	-	23,474,607	\$ 23,474,607	-	\$ 6,948,470	337.84
June 1, 2010	-	19,167,662	\$ 19,167,662	-	7,238,243	264.81

Village of Croton-on-Hudson, New York

General Fund
Comparative Balance Sheet
May 31,

	2013	2012
ASSETS		
Cash		
Demand deposits	\$ 7,048,302	\$ 6,041,802
Petty cash	1,500	1,500
	<u>7,049,802</u>	<u>6,043,302</u>
Investments	<u>12,738</u>	<u>18,243</u>
Taxes Receivable, net of allowance for uncollectible amounts of \$122,496 in 2013 and \$122,131 in 2012	<u>89,186</u>	<u>82,229</u>
Other receivables		
Accounts	123,930	199,298
State and Federal aid	280,602	251,149
Due from other governments	582,686	382,426
Due from other funds	353,461	1,178,567
Advances to other funds	52,431	63,523
	<u>1,393,110</u>	<u>2,074,963</u>
Prepaid expenditures	<u>880</u>	<u>500</u>
Total Assets	<u>\$ 8,545,716</u>	<u>\$ 8,219,237</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 429,606	\$ 431,603
Accrued liabilities	346,126	223,973
Due to other funds	2,167	14,000
Due to other governments	144	56
Unearned revenues	459,355	483,551
Unearned tax revenues	77,083	77,983
Total Liabilities	<u>1,314,481</u>	<u>1,231,166</u>
Fund balance		
Nonspendable	53,311	64,023
Restricted	957,612	955,224
Assigned	1,329,869	1,335,833
Unassigned	4,890,443	4,632,991
Total Fund Balance	<u>7,231,235</u>	<u>6,988,071</u>
Total Liabilities and Fund Balance	<u>\$ 8,545,716</u>	<u>\$ 8,219,237</u>

Village of Croton-on-Hudson, New York

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

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 10,583,032	\$ 10,583,032	\$ 10,583,568	\$ 536
Other tax items	45,001	45,001	62,241	17,240
Non-property taxes	1,184,000	1,184,000	1,301,659	117,659
Departmental income	3,736,547	3,740,366	3,898,389	158,023
Use of money and property	162,500	162,500	164,174	1,674
Licenses and permits	76,000	76,000	128,759	52,759
Fines and forfeitures	210,100	210,100	221,218	11,118
Sale of property and compensation for loss	19,500	19,500	76,728	57,228
Interfund revenues	522,000	522,000	522,000	-
State aid	157,813	161,350	264,271	102,921
Federal aid	-	100,186	481,397	381,211
Miscellaneous	-	-	1,431	1,431
Total Revenues	16,696,493	16,804,035	17,705,835	901,800
EXPENDITURES				
Current				
General government support	3,381,922	3,524,327	3,468,621	55,706
Public safety	3,475,614	3,462,817	3,422,819	39,998
Health	426,527	503,052	466,854	36,198
Transportation	2,281,535	1,576,744	1,486,137	90,607
Economic opportunity and development	50,970	50,970	49,948	1,022
Culture and recreation	1,168,127	1,098,934	1,052,030	46,904
Home and community services	548,653	1,302,744	1,240,592	62,152
Employee benefits	4,127,409	4,068,964	4,067,305	1,659
Debt service				
Interest	12,707	12,707	8,923	3,784
Total Expenditures	15,473,464	15,601,259	15,263,229	338,030
Excess of Revenues Over Expenditures	1,223,029	1,202,776	2,442,606	1,239,830
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	7,900	93,711	92,816	(895)
Transfers in	-	-	-	-
Transfers out	(2,216,762)	(2,295,662)	(2,292,258)	3,404
Total Other Financing Uses	(2,208,862)	(2,201,951)	(2,199,442)	2,509
Net Change in Fund Balance	(985,833)	(999,175)	243,164	1,242,339
Fund Balance - Beginning of Year	985,833	999,175	6,988,071	5,988,896
Fund Balance - End of Year	\$ -	\$ -	\$ 7,231,235	\$ 7,231,235

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 10,437,497	\$ 10,437,497	\$ 10,393,345	\$ (44,152)
32,000	32,000	55,325	23,325
1,153,000	1,153,000	1,274,277	121,277
3,536,347	3,598,529	3,759,278	160,749
126,300	126,300	164,098	37,798
75,400	75,400	113,224	37,824
212,000	212,000	251,220	39,220
17,000	17,000	66,378	49,378
522,000	522,000	522,000	-
155,347	155,347	267,096	111,749
-	385,555	482,779	97,224
-	-	13,896	13,896
16,266,891	16,714,628	17,362,916	648,288
3,581,581	3,820,156	3,612,050	208,106
3,514,718	3,516,563	3,313,040	203,523
245,253	443,917	397,753	46,164
2,236,809	1,554,963	1,393,328	161,635
50,668	55,829	54,078	1,751
1,184,660	1,226,936	1,071,556	155,380
583,265	1,222,756	1,115,375	107,381
3,850,306	3,826,566	3,789,588	36,978
12,707	12,708	12,707	1
15,259,967	15,680,394	14,759,475	920,919
1,006,924	1,034,234	2,603,441	1,569,207
5,000	35,774	54,387	18,613
50,000	50,000	50,000	-
(2,137,257)	(2,195,389)	(2,195,389)	-
(2,082,257)	(2,109,615)	(2,091,002)	18,613
(1,075,333)	(1,075,381)	512,439	1,587,820
1,075,333	1,075,381	6,475,632	5,400,251
\$ -	\$ -	\$ 6,988,071	\$ 6,988,071

Village of Croton-on-Hudson, New York

General Fund

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
REAL PROPERTY TAXES	\$ 10,583,032	\$ 10,583,032	\$ 10,583,568	\$ 536	\$ 10,393,345
OTHER TAX ITEMS	45,001	45,001	62,241	17,240	55,325
Interest and penalties on real property taxes					
NON-PROPERTY TAXES	1,020,000	1,020,000	1,092,131	72,131	1,064,390
Non-property tax distribution from County	55,000	55,000	70,481	15,481	69,665
Franchise fees	109,000	109,000	139,047	30,047	140,222
Utilities gross receipts taxes					
	1,184,000	1,184,000	1,301,659	117,659	1,274,277
DEPARTMENTAL INCOME					
Garbage removal	79,200	79,200	92,400	13,200	80,175
Parks and recreation charges	247,500	251,319	227,071	(24,248)	226,245
Ambulance service	261,126	261,126	273,027	11,901	235,808
Planning Board fees	2,000	2,000	2,825	825	2,675
Zoning fees	3,000	3,000	3,425	425	4,500
Prisoner transportation	-	-	-	-	1,371
Fire protection services for other governments	262,571	262,571	267,776	5,205	256,771
Parking permits	2,860,000	2,860,000	3,007,390	147,390	2,923,912
Other	21,150	21,150	24,475	3,325	27,821
	3,736,547	3,740,366	3,898,389	158,023	3,759,278

USE OF MONEY AND PROPERTY

Earnings on investments	15,000	15,000	8,513	(6,487)	11,539
Rental of real property	147,500	147,500	155,661	8,161	152,559

LICENSES AND PERMITS

Business and occupational licenses	3,000	162,500	164,174	1,674	164,098
Building permits	38,000	3,000	8,120	5,120	6,780
Dog license apportionment	1,500	38,000	52,283	14,283	45,143
Permit fees	33,500	1,500	2,932	1,432	2,731
		33,500	65,424	31,924	58,570

FINES AND FORFEITURES

Fines and forfeited bail	76,000	76,000	128,759	52,759	113,224
	210,100	210,100	221,218	11,118	251,220

SALE OF PROPERTY AND COMPENSATION**FOR LOSS**

Sale of equipment	2,500	2,500	200	(2,300)	28,614
Minor sales	11,000	11,000	25,112	14,112	21,875
Other	6,000	6,000	51,416	45,416	15,889

INTERFUND REVENUES

	19,500	19,500	76,728	57,228	66,378
	522,000	522,000	522,000	-	522,000

STATE AID

Per capita	45,347	45,347	45,347	-	45,347
Mortgage tax	95,000	95,000	113,061	18,061	99,308
Youth programs	-	-	1,872	1,872	2,246
Snow and ice reimbursement	17,466	17,466	18,354	888	26,661
Emergency management assistance	-	2,450	25,130	22,680	32,408
DARE	-	-	59,420	59,420	61,126
Other	-	1,087	1,087	-	-

	157,813	161,350	264,271	102,921	267,096
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Village of Croton-on-Hudson, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended May 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
FEDERAL AID					
Public health	\$ -	\$ 92,836	\$ 92,836	\$ -	\$ 101,380
Energy efficiency and conservation block grant	-	-	-	-	279,800
Emergency management assistance	-	7,350	379,630	372,280	97,224
Selective enforcement	-	-	8,931	8,931	4,375
	-	100,186	481,397	381,211	482,779
MISCELLANEOUS					
Refund of prior year's expenditures	-	-	416	416	13,302
Gifts and donations	-	-	1,015	1,015	594
	-	-	1,431	1,431	13,896
TOTAL REVENUES	16,696,493	16,804,035	17,705,835	901,800	17,362,916
OTHER FINANCING SOURCES					
Insurance recoveries	7,900	93,711	92,816	(895)	54,387
Transfers in	-	-	-	-	50,000
Debt Service Fund	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	7,900	93,711	92,816	(895)	104,387
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 16,704,393</u>	<u>\$ 16,897,746</u>	<u>\$ 17,798,651</u>	<u>\$ 900,905</u>	<u>\$ 17,467,303</u>

Village of Croton-on-Hudson, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 42,187	\$ 38,787	\$ 35,490	\$ 3,297	\$ 25,131
Justice	230,678	239,613	239,323	290	275,439
Mayor	20,962	20,127	19,760	367	8,039
Clerk - Treasurer	376,712	379,992	378,063	1,929	373,296
Assessment	10,002	10,002	9,754	248	9,598
Manager	194,335	190,524	189,467	1,057	195,651
Data processing	201,865	211,794	200,821	10,973	186,835
Law	223,316	291,198	291,192	6	279,446
Engineer	483,715	482,945	477,478	5,467	469,095
Operation of plant and buildings	164,766	162,879	160,754	2,125	153,144
Auditor	38,225	50,139	50,138	1	37,996
Central garage	450,622	506,809	498,342	8,467	498,395
Central communications	334,622	370,785	361,277	9,508	575,131
Unallocated insurance	238,026	309,337	309,337	-	243,693
Municipal association dues	20,712	20,712	18,491	2,221	19,294
Judgments and claims	2,000	-	-	-	-
Purchase of land	16,000	7,300	6,550	750	20,128
Refunds of real property taxes	40,000	71,142	71,141	1	93,702
Taxes and assessments on property	30,000	10,919	10,918	1	10,427
Tax advertising	500	500	265	235	122
Records management	112,936	123,559	114,797	8,762	112,642
Metropolitan transportation authority commuter mobility tax	24,741	25,264	25,263	1	24,846
Contingent account	125,000	-	-	-	-
	<u>3,381,922</u>	<u>3,524,327</u>	<u>3,468,621</u>	<u>55,706</u>	<u>3,612,050</u>

PUBLIC SAFETY					
Police	3,021,249	2,984,500	2,948,886	35,614	2,862,098
Jail	500	500	60	440	300
Fire Department	426,974	443,364	441,381	1,983	423,367
Control of animals	13,240	8,458	7,804	654	8,069
Traffic control	13,651	25,995	24,688	1,307	19,206
	3,475,614	3,462,817	3,422,819	39,998	3,313,040
HEALTH					
Registrar of Vital Statistics	6,850	4,850	4,291	559	4,347
Public health	12,410	103,059	92,306	10,753	99,727
Ambulance	407,267	395,143	370,257	24,886	293,679
	426,527	503,052	466,854	36,198	397,753
TRANSPORTATION					
Street maintenance and administration	1,659,814	932,651	922,060	10,591	934,369
Snow removal	223,076	170,230	169,901	329	118,107
Street lighting	90,007	104,640	90,830	13,810	27,596
Off-street parking	251,001	289,963	225,204	64,759	225,060
Brush and weeds	57,637	79,260	78,142	1,118	88,196
	2,281,535	1,576,744	1,486,137	90,607	1,393,328
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Publicity	50,970	50,970	49,948	1,022	54,078
CULTURE AND RECREATION					
Parks, playgrounds and recreation	1,067,788	998,660	957,817	40,843	971,286
Historian	14,385	9,285	5,416	3,869	19,300
Celebrations	18,901	26,536	26,065	471	19,095
Senior citizens programs	67,053	64,453	62,732	1,721	61,875
	1,168,127	1,098,934	1,052,030	46,904	1,071,556

(Continued)

Village of Croton-on-Hudson, New York

General Fund

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

Year Ended May 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
HOME AND COMMUNITY SERVICES					
Zoning	\$ 4,266	\$ 4,266	\$ 2,251	\$ 2,015	\$ 2,748
Planning	36,506	25,606	4,075	21,531	10,789
Recycling program	134,179	396,438	393,145	3,293	401,956
Sanitary and storm sewers	66,509	119,378	110,774	8,604	120,915
Refuse and garbage	179,731	305,101	303,154	1,947	290,907
Street cleaning	10,915	31,084	30,763	321	62,831
Shade trees	77,468	162,706	160,569	2,137	195,234
Community beautification	29,169	26,957	26,878	79	23,342
Other	9,910	231,208	208,983	22,225	6,653
	548,653	1,302,744	1,240,592	62,152	1,115,375
EMPLOYEE BENEFITS					
State retirement	813,706	834,732	834,732	-	800,642
State retirement - Police and Fire	649,527	713,562	713,562	-	532,620
Service awards program	111,823	93,287	93,287	-	96,529
Social security	429,816	414,807	414,789	18	412,450
Workers' compensation benefits	227,879	229,232	229,232	-	194,749
Life insurance	6,301	6,301	5,990	311	6,301
Health insurance	1,594,259	1,535,377	1,534,523	854	1,498,756
Dental insurance	77,228	82,144	82,143	1	77,888
Medicare reimbursement	196,870	152,995	152,600	395	146,937
Unemployment benefits	20,000	6,527	6,447	80	22,716
	4,127,409	4,068,964	4,067,305	1,659	3,789,588

DEBT SERVICE					
Interest					
Bond anticipation notes	12,707	12,707	8,923	3,784	12,707
	<u>15,473,464</u>	<u>15,601,259</u>	<u>15,263,229</u>	<u>338,030</u>	<u>14,759,475</u>
TOTAL EXPENDITURES					
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	103,388	182,288	182,282	6	137,512
Debt Service Fund	2,113,374	2,113,374	2,109,976	3,398	2,043,877
Water Fund	-	-	-	-	14,000
	<u>2,216,762</u>	<u>2,295,662</u>	<u>2,292,258</u>	<u>3,404</u>	<u>2,195,389</u>
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 17,690,226</u>	<u>\$ 17,896,921</u>	<u>\$ 17,555,487</u>	<u>\$ 341,434</u>	<u>\$ 16,954,864</u>

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Village of Croton-on-Hudson, New York

Water Fund
Comparative Balance Sheet
May 31,

	2013	2012
ASSETS		
Cash		
Demand deposits	\$ 63,412	\$ 179,127
Receivables		
Water rents	729,866	639,474
Due from other funds	19	14,000
	<u>729,885</u>	<u>653,474</u>
Prepaid expenditures	30	-
	<u>\$ 793,327</u>	<u>\$ 832,601</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 45,535	\$ 40,615
Accrued liabilities	17,092	8,422
Due to other funds	539,071	607,775
	<u>601,698</u>	<u>656,812</u>
Fund balance		
Nonspendable	30	-
Restricted	92,875	92,681
Assigned	98,724	83,108
	<u>191,629</u>	<u>175,789</u>
Total Fund Balance	<u>\$ 793,327</u>	<u>\$ 832,601</u>
Total Liabilities and Fund Balance	<u>\$ 793,327</u>	<u>\$ 832,601</u>

Village of Croton-on-Hudson, New York

Water Fund

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

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 2,074,943	\$ 2,074,943	\$ 2,010,300	\$ (64,643)
Use of money and property	500	500	133	(367)
Total Revenues	2,075,443	2,075,443	2,010,433	(65,010)
EXPENDITURES				
Current				
General government support	265,926	279,594	244,863	34,731
Home and community services	1,237,347	1,216,174	1,168,112	48,062
Employee benefits	263,790	271,295	268,852	2,443
Total Expenditures	1,767,063	1,767,063	1,681,827	85,236
Excess of Revenues Over Expenditures	308,380	308,380	328,606	20,226
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(312,767)	(312,767)	(312,766)	1
Total Other Financing Uses	(312,767)	(312,767)	(312,766)	1
Net Change in Fund Balance	(4,387)	(4,387)	15,840	20,227
Fund Balance - Beginning of Year	4,387	4,387	175,789	171,402
Fund Balance - End of Year	\$ -	\$ -	\$ 191,629	\$ 191,629

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,877,332	\$ 1,877,332	\$ 1,607,729	\$ (269,603)
3,000	3,000	210	(2,790)
1,880,332	1,880,332	1,607,939	(272,393)
274,838	187,692	186,886	806
1,140,132	1,196,698	1,190,936	5,762
182,331	226,911	219,211	7,700
1,597,301	1,611,301	1,597,033	14,268
283,031	269,031	10,906	(258,125)
-	14,000	14,000	-
(293,033)	(293,033)	(293,033)	-
(293,033)	(279,033)	(279,033)	-
(10,002)	(10,002)	(268,127)	(258,125)
10,002	10,002	443,916	433,914
\$ -	\$ -	\$ 175,789	\$ 175,789

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Village of Croton-on-Hudson, New York

Water Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
DEPARTMENTAL INCOME					
Metered water sales	\$ 2,053,443	\$ 2,053,443	\$ 1,998,290	\$ (55,153)	\$ 1,591,152
Interest and penalties on water rents	21,500	21,500	12,010	(9,490)	16,577
	2,074,943	2,074,943	2,010,300	(64,643)	1,607,729
USE OF MONEY AND PROPERTY					
Earnings on investments	500	500	133	(367)	210
	2,075,443	2,075,443	2,010,433	(65,010)	1,607,939
TOTAL REVENUES					
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	14,000
General Fund					
	\$ 2,075,443	\$ 2,075,443	\$ 2,010,433	\$ (65,010)	\$ 1,621,939

Village of Croton-on-Hudson, New York

Water Fund

**Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended May 31, 2013
(With Comparative Actuals for 2012)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Central communications Auditor	\$ 204,810	\$ 204,810	\$ 170,095	\$ 34,715	\$ 160,047
Unallocated insurance	6,525	8,074	8,074	-	7,266
Municipal association dues	23,327	60,247	60,246	1	13,566
Taxes and assessments on property	1,264	1,430	1,415	15	1,194
Contingent account	5,000	5,033	5,033	-	4,813
	25,000	-	-	-	-
	265,926	279,594	244,863	34,731	186,886
HOME AND COMMUNITY SERVICES					
Water administration	597,373	594,934	588,636	6,298	581,536
Pumping, supply and power	146,944	162,662	150,015	12,647	143,444
Transmission and distribution	493,030	458,578	429,461	29,117	465,956
	1,237,347	1,216,174	1,168,112	48,062	1,190,936
EMPLOYEE BENEFITS					
State retirement	78,180	83,083	82,983	100	49,142
Social security	29,040	30,895	30,895	-	30,530
Workers' compensation benefits	38,368	38,605	38,604	1	32,719
Life insurance	309	309	283	26	225
Health and dental insurance	109,903	110,413	108,817	1,596	99,380
Medicare reimbursement	7,990	7,990	7,270	720	7,215
	263,790	271,295	268,852	2,443	219,211
TOTAL EXPENDITURES	1,767,063	1,767,063	1,681,827	85,236	1,597,033

OTHER FINANCING USES

Transfers out

Debt Service Fund

312,767	312,767	312,766	1	293,033
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**TOTAL EXPENDITURES AND OTHER
FINANCING USES**

\$ 2,079,830	\$ 2,079,830	\$ 1,994,593	\$ 85,237	\$ 1,890,066
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Village of Croton-on-Hudson, New York

Debt Service Fund
Comparative Balance Sheet
May 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Investments	\$ 53,516	\$ 24,393
Due from other funds	<u>419,515</u>	<u>361,050</u>
Total Assets	<u>\$ 473,031</u>	<u>\$ 385,443</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	<u>\$ 203,151</u>	<u>\$ 126,054</u>
Fund balance		
Restricted	194,880	259,389
Assigned	<u>75,000</u>	<u>-</u>
Total Fund Balance	<u>269,880</u>	<u>259,389</u>
Total Liabilities and Fund Balance	<u>\$ 473,031</u>	<u>\$ 385,443</u>

Village of Croton-on-Hudson, New York

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

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 10,491	\$ 10,491
EXPENDITURES				
Debt service				
Principal				
Serial bonds	1,536,060	1,536,060	1,536,060	-
Installment purchase debt	126,292	126,292	126,292	-
	1,662,352	1,662,352	1,662,352	-
Interest				
Serial bonds	705,250	705,250	701,854	3,396
Installment purchase debt	126,640	126,640	126,639	1
	831,890	831,890	828,493	3,397
Refunding bonds issuance costs	-	76,313	76,313	-
Total Expenditures	2,494,242	2,570,555	2,567,158	3,397
Deficiency of Revenues Over Expenditures	(2,494,242)	(2,570,555)	(2,556,667)	13,888
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	3,270,000	3,270,000	-
Premium on bonds issued	-	163,283	163,283	-
Payment to refunded bond escrow agent	-	(3,356,970)	(3,356,970)	-
Transfers in	2,494,242	2,494,242	2,490,845	(3,397)
Transfers out	-	-	-	-
Total Other Financing Sources	2,494,242	2,570,555	2,567,158	(3,397)
Net Change in Fund Balance	-	-	10,491	10,491
Fund Balance - Beginning of Year	-	-	259,389	259,389
Fund Balance - End of Year	\$ -	\$ -	\$ 269,880	\$ 269,880

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 10,000	\$ 10,000	\$ 13,445	\$ 3,445
1,421,500	1,421,500	1,421,500	-
119,042	119,042	119,042	-
1,540,542	1,540,542	1,540,542	-
692,749	692,749	692,749	-
133,889	133,889	133,889	-
826,638	826,638	826,638	-
-	-	-	-
2,367,180	2,367,180	2,367,180	-
(2,357,180)	(2,357,180)	(2,353,735)	3,445
-	-	-	-
-	-	-	-
-	-	-	-
2,367,180	2,367,180	2,367,180	-
(50,000)	(50,000)	(50,000)	-
2,317,180	2,317,180	2,317,180	-
(40,000)	(40,000)	(36,555)	3,445
40,000	40,000	295,944	255,944
\$ -	\$ -	\$ 259,389	\$ 259,389

Village of Croton-on-Hudson, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash		
Demand deposits	<u>\$ 8,515,022</u>	<u>\$ 5,213,209</u>
Receivables		
Accounts	4,930	4,911
State and Federal aid	43,614	43,615
Due from other funds	<u>115,436</u>	<u>179,420</u>
	<u>163,980</u>	<u>227,946</u>
Total Assets	<u><u>\$ 8,679,002</u></u>	<u><u>\$ 5,441,155</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 125,870	\$ 81,225
Retainages payable	-	14,506
Bond anticipation notes payable	895,786	844,128
Due to other funds	87,052	913,744
Unearned revenues	<u>362,464</u>	<u>178,774</u>
Total Liabilities	1,471,172	2,032,377
Fund balance		
Restricted	<u>7,207,830</u>	<u>3,408,778</u>
Total Liabilities and Fund Balance	<u><u>\$ 8,679,002</u></u>	<u><u>\$ 5,441,155</u></u>

Village of Croton-on-Hudson, New York

Capital Projects Fund

Comparative Statement of Revenues, Expenditures and Changes

in Fund Balance

Years Ended May 31,

	<u>2013</u>	<u>2012</u>
REVENUES		
State aid	\$ 15,332	\$ 95,701
Federal aid	15,443	136,809
Miscellaneous	<u>16,100</u>	<u>4,020</u>
Total Revenues	46,875	236,530
EXPENDITURES		
Capital outlay	<u>1,097,605</u>	<u>1,819,944</u>
Deficiency of Revenues Over Expenditures	<u>(1,050,730)</u>	<u>(1,583,414)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	4,717,500	1,686,060
Transfers in	182,282	137,512
Transfers out	<u>(50,000)</u>	<u>-</u>
Total Other Financing Sources	<u>4,849,782</u>	<u>1,823,572</u>
Net Change in Fund Balance	3,799,052	240,158
Fund Balance - Beginning of Year	<u>3,408,778</u>	<u>3,168,620</u>
Fund Balance - End of Year	<u>\$ 7,207,830</u>	<u>\$ 3,408,778</u>

Village of Croton-on-Hudson, New York

Capital Projects Fund

Project-Length Schedule

Inception Of Project Through May 31, 2013

PROJECT	Project Number	Appropriation	Expenditures and Transfers to Date	Unexpended Balance
Station Parking Lot Phase II	98015	\$ 5,155,322	\$ 5,155,476	\$ (154)
Radio Monitoring	01055	450,000	406,744	43,256
Municipal Building Lead Dust Removal	02060	378,662	366,863	11,799
Police Radios	04095	35,873	35,503	370
Grand Street Fire House Improvements	04098	30,748	11,500	19,248
Croton Landing Field Improvements	04107/07148	1,667,988	1,666,646	1,342
Recreation Room Improvements	04109	40,998	20,392	20,606
Sanitary Sewer Repairs	04110	102,494	99,068	3,426
Sidewalk Improvements Harrison/Batten Streets	04112	50,000	4,895	45,105
Kaplans Pond Outlet	04113	368,974	277,186	91,788
High Street Drainage	05122	505,989	131,185	374,804
Silver Lake Dam Repairs	05129	256,000	247,711	8,289
Sanitary Sewer Rehabilitation	05121	101,990	1,813	100,177
Silver Lake Improvements	06135	25,400	23,315	2,085
High Street CDBG - Phase II	07140	513,096	349,621	163,475
Batten Road Storm Water Management	07141	504,895	502,294	2,601
Elliot Way	07142	375,999	97,356	278,643
Croton Landing Boat Launch Facility	07149	15,300	373	14,927
Black Rock Improvements	07150	30,600	15,725	14,875
Police Needs Assessment	08155	151,000	67,089	83,911
Benedict Boulevard Sidewalk and Curbs	08160	380,704	319,006	61,698
Ambulance Duty Vehicle	08167	173,981	174,686	(705)
Stormwater and Oil Separator	08169	25,000	876	24,124
Design Corrosion Control System	08171	40,000	31,966	8,034
Purchase of Land	08172	907,743	910,949	(3,206)
Equipment	09174	348,500	374,968	(26,468)
South Riverside	09175	500,000	94,450	405,550
Install and Test Well	09176	512,700	219,703	292,997
Water Office Sewer Holding Tank	09177	35,700	8,723	26,977
Valve Replacement and Installation	09178	202,000	222,153	(20,153)
High Street Water Main Replacement	09179	357,000	331,074	25,926
Nordica Sewer Pump Station	09180	586,500	181,063	405,437
Sanitary Sewer Rehabilitation	09181	25,500	6,304	19,196
Farrington Road Improvements	09183	713,000	72,613	640,387
Curb Replacement	09186	51,000	50,508	492
Chief Car Replacement	09189	40,645	40,784	(139)
Harmon Firehouse HVAC System Overhaul	09190	20,000	12,409	7,591
Grand Street Firehouse Siren	09191	10,950	10,030	920
Thermal Imaging Camera	09192	12,550	12,032	518
Police Headquarters Renovation	09193	204,000	1,159	202,841
Municipal Building Window Replacement	09194	174,700	35,734	138,966
Duck Pond Park Improvements	09196	45,900	39,983	5,917
Georgia Lane Stormwater Management	09197	178,500	24,026	154,474
Brook Lane Stormwater Management	09198	25,500	303	25,197
Grant Street Stormwater Management	09199	25,500	303	25,197
General Road Repairs	10200	237,156	228,114	9,042
Curb Replacement	10203	79,613	67,233	12,380
Stormwater Management-Old Post Road	10205	50,000	397	49,603
Stormwater Management-Prospect Place	10206	25,000	24,001	999
Equipment- 4x4 Pickup/25 CY SANI Truck	10207	212,000	211,207	793
Cascade System	10208	124,480	86,134	38,346
Engineering Study-Yacht Club	10209	75,000	71,747	3,253
Planning Studies	10210	120,000	52,930	67,070

Methods of Financing					Fund Balance (Deficit) at May 31, 2013	Bond Anticipation Notes Out- standing at May 31, 2013
Proceeds of Obligations	Transfers	State and Federal Aid	Miscellaneous	Totals		
\$ 3,725,442	\$ 162,000	\$ 1,264,000	\$ 3,880	\$ 5,155,322	\$ (154)	\$ -
-	450,000	-	-	450,000	43,256	-
203,662	175,000	-	-	378,662	11,799	-
35,873	-	-	-	35,873	370	-
30,748	-	-	-	30,748	19,248	-
907,988	610,000	150,000	-	1,667,988	1,342	-
40,998	-	-	-	40,998	20,606	-
102,494	-	-	-	102,494	3,426	-
-	-	-	-	-	(4,895)	-
254,974	39,000	75,000	-	368,974	91,788	-
305,989	-	-	-	305,989	174,804	-
220,000	36,000	-	-	256,000	8,289	-
101,990	-	-	-	101,990	100,177	-
20,400	5,000	-	-	25,400	2,085	-
256,548	-	122,774	-	379,322	29,701	-
504,895	-	-	-	504,895	2,601	-
375,999	-	-	-	375,999	278,643	-
15,300	-	-	-	15,300	14,927	-
30,600	-	-	-	30,600	14,875	-
151,000	-	-	-	151,000	83,911	-
380,704	-	-	-	380,704	61,698	-
60,800	29,781	-	-	90,581	(84,105)	83,400
25,000	-	-	-	25,000	24,124	-
-	40,000	-	-	40,000	8,034	-
417,743	10,000	-	-	427,743	(483,206)	480,000
337,850	3,400	-	-	341,250	(33,718)	6,800
-	-	-	94,450	94,450	-	-
512,700	-	-	-	512,700	292,997	-
35,700	-	-	-	35,700	26,977	-
102,000	100,000	-	-	202,000	(20,153)	-
357,000	-	-	-	357,000	25,926	-
586,500	-	-	-	586,500	405,437	-
25,500	-	-	-	25,500	19,196	-
713,000	-	-	-	713,000	640,387	-
51,000	-	-	-	51,000	492	-
15,200	10,245	-	-	25,445	(15,339)	15,200
6,950	4,000	-	-	10,950	(1,459)	8,000
4,950	2,000	-	-	6,950	(3,080)	4,000
5,350	2,400	-	-	7,750	(4,282)	4,800
204,000	-	-	-	204,000	202,841	-
171,400	3,300	-	-	174,700	138,966	-
45,900	-	-	-	45,900	5,917	-
178,500	-	-	-	178,500	154,474	-
25,500	-	-	-	25,500	25,197	-
25,500	-	-	-	25,500	25,197	-
100,000	-	137,156	-	237,156	9,042	-
50,000	-	29,613	-	79,613	12,380	-
50,000	-	-	-	50,000	49,603	-
25,000	-	-	-	25,000	999	-
186,400	6,400	-	-	192,800	(18,407)	19,200
112,240	-	-	-	112,240	26,106	12,240
75,000	-	-	-	75,000	3,253	-
120,000	-	-	-	120,000	67,070	-

(Continued)

VILLAGE OF CROTON-ON-HUDSON, NEW YORK

CAPITAL PROJECTS FUND
PROJECT-LENGTH SCHEDULE (Continued)
INCEPTION OF PROJECT THROUGH MAY 31, 2013

PROJECT	Project Number	Appropriation	Expenditures and Transfers to Date	Unexpended Balance
Traffic/Engineering Study	10211	\$ 50,000	\$ 400	\$ 49,600
Train Station Parking	10212	100,000	86,353	13,647
Sanitary Sewer Rehabilitation	10213	353,000	2,934	350,066
TEP Grant - Bicycle Ped Improvement	10214	1,536,000	296,445	1,239,555
Road Sidewalks and Curbs	11215	419,747	454,068	(34,321)
Half Moon Bay Bridge Rehabilitation	11216	51,000	256	50,744
Equipment- 4x4 Pickup	11217	33,660	32,297	1,363
Equipment - Brush Chipper	11218	26,520	30,765	(4,245)
Equipment - Two Salt Spreaders	11219	19,380	19,135	245
Equipment - Cart Flippers	11220	10,200	8,688	1,512
Equipment - Police Cruiser	11221	24,480	24,754	(274)
Chief Car	11222	43,861	42,498	1,363
Sprinkler System - Harmon Fire House	11223	61,200	4,339	56,861
Tanker 10 Replacement	11224	596,240	587,342	8,898
Generator for 44 Wayne Street	11225	10,200	9,912	288
Replacement of Police Server	11226	30,600	30,809	(209)
Planning Studies - Economic Development	11227	30,600	191	30,409
Water Source and Well Field Improvement	11228	228,300	34,500	193,800
Water District System Improvement	11229	61,000	7,201	53,799
Road Sidewalks and Curbs	12230	214,200	111,328	102,872
Half Moon Bay Drive Stockade Fence	12231	61,200	58,194	3,006
Equipment 4X4 Pickup	12232	34,680	29,129	5,551
Equipment Compact Wheel Loader	12233	58,140	52,587	5,553
Police Equipment 4x4 Expedition	12234	33,600	32,720	880
Equipment Refurbishment	12235	51,000	48,984	2,016
Thermal Imaging Camera	12236	17,240	14,132	3,108
Sprinkler System at the Washington Fire House	12237	26,520	4,508	22,012
CPR Assist Units	12238	13,260	13,106	154
Pagers	12239	9,792	9,256	536
Repair and Graphics to 55 B2	12240	9,588	189	9,399
Voice Recorder	12241	25,500	25,644	(144)
Security Camera Croton Landing	12242	8,670	4,321	4,349
Dobbs Park Playground	12243	16,830	15,471	1,359
Planning Studies	12244	30,600	18,350	12,250
Water Distribution Model	12245	102,000	16,134	85,866
Half Moon Bay Pump	12246	102,000	7,802	94,198
EMS Recruitment and Retention Program	12247	16,500	15,429	1,071
General Road Repairs	13248	201,690	100,095	101,595
Sidewalks and Curbs	13249	102,000	405	101,595
Brook Street	13250	25,500	101	25,399
Sanitation Truck	13251	267,600	728	266,872
Change Body on Tanker 10	13252	51,000	202	50,798
Refurbish Equipment	13253	20,400	8,901	11,499
Energy Efficiency Upgrades	13254	20,400	406	19,994
Washington Engine Fire House Apron/Wall and Kitchen Repairs	13255	20,400	9,585	10,815
Marine 12 Pump Replacement	13256	5,100	125	4,975
Fire FCC Narrowband Radio Compliance Plan	13257	25,500	25,988	(488)
Municipal Garage Improvements	13258	40,800	12,274	28,526
Police FCC Narrowband Radio Compliance Plan	13259	51,000	50,468	532
Replacement of 4 Scott Air Pacs	13260	15,300	13,371	1,929
Farrington Road/Hunter Place water main replacement - Water	13261	867,000	4,035	862,965
Water Main Replacement and extension	13262	2,040,000	14,217	2,025,783
Farrington Road/Hunter Place water main replacement - Sewer	13263	357,000	2,174	354,826
911 Remembrance Memorial	13264	20,000	13,947	6,053
Street Sweeper	13265	177,000	175,734	1,266
Yacht Club Repair	14280	2,800,000	19	2,799,981
Totals		\$ 28,907,148	\$ 15,981,269	\$ 12,925,879

Methods of Financing					Fund Balance (Deficit) at May 31, 2013	Bond Anticipation Notes Out- standing at May 31, 2013
Proceeds of Obligations	Transfers	State and Federal Aid	Miscellaneous	Totals		
\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 49,600	\$ -
100,000	-	-	-	100,000	13,647	-
353,000	-	-	-	353,000	350,066	-
336,000	-	152,252	-	488,252	191,807	-
204,000	-	215,747	-	419,747	(34,321)	-
51,000	-	-	-	51,000	50,744	-
6,732	6,732	-	-	13,464	(18,833)	20,196
5,304	5,304	-	-	10,608	(20,157)	15,912
3,876	3,876	-	-	7,752	(11,383)	11,628
2,040	2,040	-	-	4,080	(4,608)	6,120
4,892	4,898	-	-	9,790	(14,964)	14,689
8,768	8,772	-	-	17,540	(24,958)	26,321
61,200	-	-	-	61,200	56,861	-
591,600	4,640	-	-	596,240	8,898	-
2,040	2,040	-	-	4,080	(5,832)	6,120
6,120	6,120	-	-	12,240	(18,569)	18,360
30,600	-	-	-	30,600	30,409	-
168,300	60,000	-	-	228,300	193,800	-
51,000	10,000	-	-	61,000	53,799	-
214,200	-	-	-	214,200	102,872	-
61,200	-	-	-	61,200	3,006	-
34,680	-	-	-	34,680	5,551	-
58,140	-	-	-	58,140	5,553	-
30,600	3,000	-	-	33,600	880	-
51,000	-	-	-	51,000	2,016	-
12,240	5,000	-	-	17,240	3,108	-
26,520	-	-	-	26,520	22,012	-
13,260	-	-	-	13,260	154	-
9,792	-	-	-	9,792	536	-
9,588	-	-	-	9,588	9,399	-
25,500	-	-	-	25,500	(144)	-
8,670	-	-	-	8,670	4,349	-
16,830	-	-	-	16,830	1,359	-
30,600	-	-	-	30,600	12,250	-
102,000	-	-	-	102,000	85,866	-
102,000	-	-	-	102,000	94,198	-
-	16,500	-	-	16,500	1,071	-
102,000	-	-	-	102,000	1,905	-
102,000	-	-	-	102,000	101,595	-
25,500	-	-	-	25,500	25,399	-
183,600	-	-	-	183,600	182,872	-
51,000	-	-	-	51,000	50,798	-
-	-	-	-	-	(8,901)	20,400
-	-	-	-	-	(406)	20,400
-	-	-	-	-	(9,585)	20,400
-	-	-	-	-	(125)	5,100
-	-	-	-	-	(25,988)	25,500
40,800	-	-	-	40,800	28,526	-
-	-	-	-	-	(50,468)	51,000
15,300	-	-	-	15,300	1,929	-
867,000	-	-	-	867,000	862,965	-
2,040,000	-	-	-	2,040,000	2,025,783	-
357,000	-	-	-	357,000	354,826	-
-	3,900	-	16,100	20,000	6,053	-
102,000	75,000	-	-	177,000	1,266	-
-	-	-	-	-	(19)	-
<u>\$ 19,021,779</u>	<u>\$ 1,906,348</u>	<u>\$ 2,146,542</u>	<u>\$ 114,430</u>	<u>\$ 23,189,099</u>	<u>\$ 7,207,830</u>	<u>\$ 895,786</u>

Village of Croton-on-Hudson, New York

Non-Major Governmental Funds
Combining Balance Sheet
May 31, 2013
(With Comparative Totals for 2012)

			Total Non-Major Governmental Funds	
	Special Purpose	Sewer	2013	2012
ASSETS				
Cash				
Demand deposits	\$ 35,809	\$ 12,280	\$ 48,089	\$ 71,766
Investments	49,404	-	49,404	49,395
Receivables				
Sewer rents	-	54,480	54,480	47,396
Due from other funds	-	729	729	93,159
	-	55,209	55,209	140,555
Total Assets	<u>\$ 85,213</u>	<u>\$ 67,489</u>	<u>\$ 152,702</u>	<u>\$ 261,716</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ -	\$ 9,770	\$ 9,770	\$ 11,890
Due to other funds	-	57,719	57,719	164,623
Advances from other funds	-	52,431	52,431	63,523
Total Liabilities	-	119,920	119,920	240,036
Fund balances (deficits)				
Restricted	85,213	-	85,213	85,203
Unassigned	-	(52,431)	(52,431)	(63,523)
Total Fund Balances (Deficits)	<u>85,213</u>	<u>(52,431)</u>	<u>32,782</u>	<u>21,680</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 85,213</u>	<u>\$ 67,489</u>	<u>\$ 152,702</u>	<u>\$ 261,716</u>

Village of Croton-on-Hudson, New York

Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Year Ended May 31, 2013
(With Comparative Totals for 2012)

			Total Non-Major Governmental Funds	
	Special Purpose	Sewer	2013	2012
REVENUES				
Departmental income	\$ -	\$ 132,804	\$ 132,804	\$ 108,309
Use of money and property	10	-	10	5
Total Revenues	10	132,804	132,814	108,314
EXPENDITURES				
Current				
General government support	-	23,997	23,997	23,090
Home and community services	-	74,256	74,256	98,401
Employee benefits	-	5,356	5,356	5,573
Total Expenditures	-	103,609	103,609	127,064
Excess (Deficiency) of Revenues Over Expenditures	10	29,195	29,205	(18,750)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	50,000	50,000	-
Transfers out	-	(68,103)	(68,103)	(30,270)
Total Other Financing Uses	-	(18,103)	(18,103)	(30,270)
Net Change in Fund Balances	10	11,092	11,102	(49,020)
Fund Balances (Deficits) - Beginning of Year	85,203	(63,523)	21,680	70,700
Fund Balances (Deficits) - End of Year	\$ 85,213	\$ (52,431)	\$ 32,782	\$ 21,680

Village of Croton-on-Hudson, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash		
Demand deposits	\$ 35,809	\$ 35,808
Investments	<u>49,404</u>	<u>49,395</u>
Total Assets	<u>\$ 85,213</u>	<u>\$ 85,203</u>
FUND BALANCE		
Restricted	<u>\$ 85,213</u>	<u>\$ 85,203</u>

Village of Croton-on-Hudson, New York

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

	<u>2013</u>	<u>2012</u>
REVENUES		
Use of money and property	\$ 10	\$ 5
EXPENDITURES	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	10	5
Fund Balance - Beginning of Year	<u>85,203</u>	<u>85,198</u>
Fund Balance - End of Year	<u><u>\$ 85,213</u></u>	<u><u>\$ 85,203</u></u>

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Village of Croton-on-Hudson, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash		
Demand deposits	<u>\$ 12,280</u>	<u>\$ 35,958</u>
Receivables		
Sewer rents	54,480	47,396
Due from other funds	<u>729</u>	<u>93,159</u>
	<u>55,209</u>	<u>140,555</u>
Total Assets	<u><u>\$ 67,489</u></u>	<u><u>\$ 176,513</u></u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 9,770	\$ 11,890
Due to other funds	57,719	164,623
Advances from other funds	<u>52,431</u>	<u>63,523</u>
Total Liabilities	119,920	240,036
Fund deficit		
Unassigned	<u>(52,431)</u>	<u>(63,523)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 67,489</u></u>	<u><u>\$ 176,513</u></u>

Village of Croton-on-Hudson, New York

Sewer Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended May 31,

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 221,757	\$ 221,757	\$ 132,804	\$ (88,953)
EXPENDITURES				
Current				
General government support	29,558	25,109	24,049	1,060
Home and community services	124,091	124,091	74,204	49,887
Employee benefits	5,819	10,401	5,356	5,045
Total Expenditures	159,468	159,601	103,609	55,992
Excess (Deficiency) of Revenues Over Expenditures	62,289	62,156	29,195	(32,961)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	50,000	50,000
Transfers out	(68,103)	(68,103)	(68,103)	-
Total Other Financing Uses	(68,103)	(68,103)	(18,103)	50,000
Net Change in Fund Balance	(5,814)	(5,947)	11,092	17,039
Fund Balance (Deficit) - Beginning of Year	5,814	5,947	(63,523)	(69,470)
Fund Deficit - End of Year	\$ -	\$ -	\$ (52,431)	\$ (52,431)

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 170,507	\$ 170,507	\$ 108,309	\$ (62,198)
25,684	25,644	23,090	2,554
120,935	120,571	98,401	22,170
5,239	5,643	5,573	70
151,858	151,858	127,064	24,794
18,649	18,649	(18,755)	(37,404)
-	-	-	-
(30,270)	(30,270)	(30,270)	-
(30,270)	(30,270)	(30,270)	-
(11,621)	(11,621)	(49,025)	(37,404)
11,621	11,621	(14,498)	(26,119)
\$ -	\$ -	\$ (63,523)	\$ (63,523)

Village of Croton-on-Hudson, New York

Sewer Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 2,175	\$ 2,488	\$ 2,488	\$ -	\$ 2,338
Central communications	17,733	17,866	16,874	992	13,369
Unallocated insurance	782	782	730	52	3,654
Taxes and assessments on property	3,800	3,905	3,905	-	3,729
Contingent account	5,000	-	-	-	-
	29,490	25,041	23,997	1,044	23,090
HOME AND COMMUNITY SERVICES					
Sanitary sewers	124,159	124,159	74,256	49,903	98,401
EMPLOYEE BENEFITS					
State retirement	3,720	8,302	3,635	4,667	3,511
Social security	1,530	1,530	1,154	376	1,574
Workers' compensation benefits	569	569	567	2	488
	5,819	10,401	5,356	5,045	5,573
TOTAL EXPENDITURES	159,468	159,601	103,609	55,992	127,064
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	68,103	68,103	68,103	-	30,270
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 227,571	\$ 227,704	\$ 171,712	\$ 55,992	\$ 157,334