

Village of Croton-on-Hudson, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2014

Village of Croton-on-Hudson, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Balance Sheet - Governmental Funds	15
Reconciliation of Governmental Funds Balance Sheet to the Government - Wide Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Water Funds	21
Statement of Net Position - Fiduciary Funds	23
Statement of Changes in Net Position - Fiduciary Funds - Pension Trust Fund	24
Notes to Financial Statements	25
Required Supplementary Information	
Service Awards Program	
Schedule of Funding Progress - Last Six Fiscal Years	48
Schedule of Contributions - Last Six Fiscal Years	49
Other Post Employment Benefits	
Schedule of Funding Progress - Last Three Fiscal Years	50
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Comparative Balance Sheet	51
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	52
Schedule of Revenues and Other Financing Sources Compared to Budget	54
Schedule of Expenditures and Other Financing Uses Compared to Budget	57
Water Fund	
Comparative Balance Sheet	61
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	62
Schedule of Revenues Compared to Budget	64
Schedule of Expenditures and Other Financing Uses Compared to Budget	65
Debt Service Fund	
Comparative Balance Sheet	67
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	68

Village of Croton-on-Hudson, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Capital Projects Fund	
Comparative Balance Sheet	70
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	71
Project-Length Schedule	72
Non-Major Governmental Funds	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	79
Special Purpose Fund	
Comparative Balance Sheet	80
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	81
Sewer Fund	
Comparative Balance Sheet	82
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	83
Schedule of Expenditures and Other Financing Uses Compared to Budget	85

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, 2014, 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, 2014, and the respective changes in financial position, thereof, and the respective budgetary comparison for the General and Water Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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

January 12, 2015

Village of Croton-on-Hudson, New York

Management's Discussion and Analysis May 31, 2014

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, 2014. 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 2014

- On the government-wide financial statements, the assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$14,009,353.
- The General Fund completed fiscal year 2014 with a fund balance totaling \$7,136,624, a decrease of \$94,611. Of this amount, the unassigned fund balance totaled \$4,921,457. In addition, the nonspendable classification included \$90 for prepaid expenditures and \$297,559 for advances to other funds. The assigned classification included \$108,470 for encumbrances, \$500,000 for subsequent years expenditures and \$350,000 for future retirement expenditures. \$959,048 was restricted for employee benefits which represents accumulated vacation and sick leave in accordance with various collective bargaining agreements.
- Capital Projects Fund expenditures totaled \$3,642,163 and the fund balance at May 31, 2014 was \$9,922,214.
- The Village issued \$939,896 of new bond anticipation notes and retired \$895,786 of bond anticipation notes outstanding during the current fiscal year. At May 31, 2014, the Village had \$939,896 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 \$17,410,945. Of this amount, the unassigned fund balance was \$4,782,263 or 27%.
- During the 2014 fiscal year, the Village issued \$6,089,500 of serial bonds and retired \$1,822,500 of previously outstanding indebtedness. The Village's total outstanding general obligation bonds payable at May 31, 2014 totaled \$27,799,500, exclusive of issuance premium of \$175,369.

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 \$14,009,353 for fiscal year 2014.

The following table reflects the condensed Statement of Net Position:

Statement of Net Position

	May 31,	
	2014	2013
Current Assets	\$ 20,806,458	\$ 17,785,753
Capital Assets, net	34,255,964	29,511,273
Total Assets	55,062,422	47,297,026
Deferred Outflows of Resources	145,635	-
Current Liabilities	3,489,185	2,901,032
Long-Term Liabilities	37,709,519	32,348,786
Total Liabilities	41,198,704	35,249,818
Net Position		
Net investment in capital assets	14,625,826	10,844,644
Restricted	379,065	880,799
Unrestricted	(995,538)	321,765
Total Net Position	\$ 14,009,353	\$ 12,047,208

One component of the Village's net position is net investment in capital assets \$14,625,826, 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.

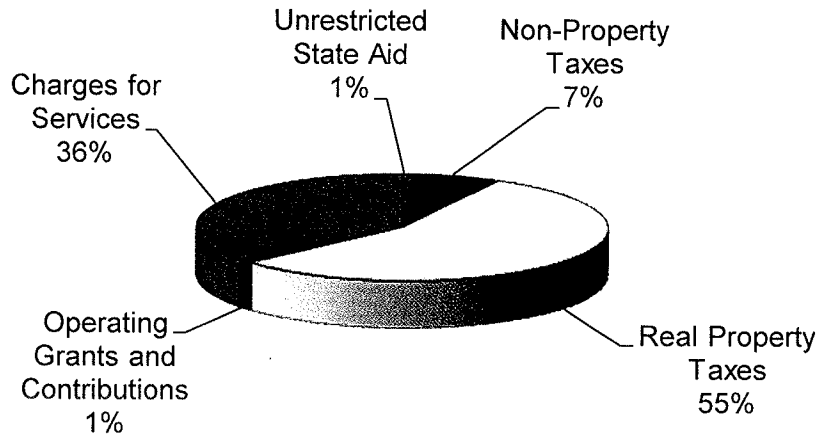
The restricted net position of \$379,065 represents resources that are subject to external restrictions on their use. The restrictions are:

	May 31,	
	2014	2013
Capital Projects	\$ -	\$ 448,046
Future Capital Projects	77,854	77,660
Debt Service	215,974	269,880
Special Purpose	85,237	85,213
Restricted Net Assets	\$ 379,065	\$ 880,799

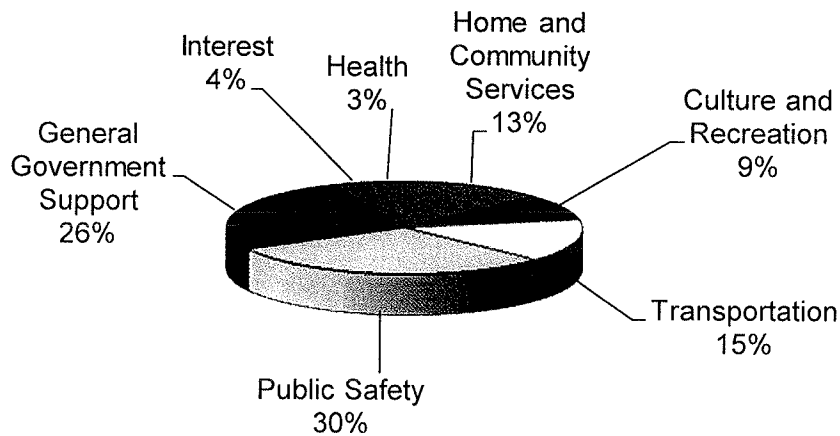
Changes in Net Position

	Year Ended May 31,	
	2014	2013
Program Revenues		
Charges for Services	\$ 6,808,991	\$ 6,547,131
Operating Grants and Contributions	251,882	590,806
Capital Grants and Contributions	140,910	57,366
General Revenues		
Real Property Taxes	10,903,468	10,582,668
Other Tax Items	71,827	62,241
Non-Property Taxes	1,354,953	1,301,659
Unrestricted Use of Money and Property	10,161	6,125
Sale of Property and Compensation for Loss	50,488	76,728
Unrestricted State Aid	163,073	158,408
Miscellaneous	3,583	416
Insurance recoveries	61,205	92,816
Total Revenues	19,820,541	19,476,364
Program Expenses		
General Government Support	5,203,618	5,271,393
Public Safety	5,951,884	5,733,073
Health	512,659	489,459
Transportation	2,949,098	2,407,708
Economic Opportunity and Development	238,245	214,777
Culture and Recreation	1,773,037	1,653,975
Home and Community Services	2,543,766	2,664,412
Interest	780,212	825,212
Total Expenses	19,952,519	19,260,009
Change in Net Position	(131,978)	216,355
NET POSITION		
Beginning, as previously reported	12,047,208	11,830,853
Prior Period Adjustment	2,094,123	-
Beginning, as restated	14,141,331	11,830,853
Ending	<u>\$ 14,009,353</u>	<u>\$ 12,047,208</u>

Sources of Revenue for Fiscal Year 2014 Governmental Activities



Sources of Expenses for Fiscal Year 2014 Governmental Activities



Governmental Activities: Governmental activities decreased the Village's net position by \$131,978.

For the fiscal year ended May 31, 2014, revenues from governmental activities totaled \$19,820,541. Tax revenues of \$12,330,248, consisting of real property taxes, other tax items and non-property taxes, represented the largest revenue source at 62%.

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 fiscal period ending June 30, 2011. 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, 2014 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	\$ 90
	Advances	297,559
		<u>297,649</u>
Restricted Fund Balance	Reserved for Employee Benefits	974,263
	Reserved for Future Capital Projects	77,854
	Reserved for Debt Service	140,974
	Reserved for Capital Projects	9,922,214
	Reserved for Parklands	85,109
	Reserved for Trusts	128
		<u>11,200,542</u>
Assigned Fund Balance	Reserved for Encumbrances:	
	General Government Support	6,018
	Public Safety	12,968
	Health	20,866
	Transportation	14,646
	Economic opportunity and development	2,370
	Culture and Recreation	5,434
	Home and Community Services	58,436
	Designated for Subsequent Year's Expenditures:	
	Unassigned Fund Balance	575,000
	Designated for Future Retirement	
	Expenditures	380,300
	Water	54,453
		<u>1,130,491</u>
Unassigned Fund Balance	Unreserved and Undesignated:	
	General Fund	4,921,457
	Sewer	(139,194)
		<u>4,782,263</u>
Total Fund Balance (as of May 31, 2014)		<u>\$ 17,410,945</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 \$17,410,945 an increase of \$2,477,589 from the prior year.

General Fund Budgetary Highlights

When the fiscal 2013-2014 budget was adopted, it anticipated the use of \$700,000 of fund balance. However, actual results of operations resulted in a decrease of \$94,611 to fund balance. Overall, General Fund expenditures and other financing uses were \$18,025,876, which was \$520,042 less than the final budget. Revenues and other financing sources totaled \$17,931,265, which was \$376,030 greater than the final budget.

Capital Asset and Debt Administration

Capital Assets: The Village's investment in capital assets for its governmental activities as of May 31, 2014, amounted to \$34,255,964 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

Capital Assets (Net of Depreciation)

	May 31,	
	2014	2013
Land	\$ 4,773,011	\$ 4,773,011
Buildings and improvements	4,996,983	4,897,348
Machinery and equipment	2,465,144	925,771
Infrastructure	4,855,513	4,971,673
Construction-in-Progress	17,165,313	13,943,470
Total	<u>\$ 34,255,964</u>	<u>\$ 29,511,273</u>

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

Long-term Debt: At the end of the current fiscal year, the Village had total debt outstanding of \$29,680,983 comprised of general obligation bonded debt of \$27,799,500 and installment purchase debt of \$1,881,483. The Village issued \$6,089,500 of serial bonds and retired \$1,822,500 of previously outstanding indebtedness. All of this debt is backed by the full faith and credit of the Village.

Additional information on the Village's long-term debt can be found in Note 3 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Abraham J. Zambrano, Village Manager, Village of Croton-on-Hudson, One Van Wyck Street, Croton-on-Hudson, New York 10520.

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Village of Croton-on-Hudson, New York

Statement of Net Position

May 31, 2014

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 18,941,820
Receivables	
Taxes, net	93,409
Accounts	208,730
Water rents	851,716
Sewer rents	61,776
State and Federal aid	184,103
Due from other governments	464,814
Prepaid expenses	90
Capital assets	
Not being depreciated	21,938,324
Being depreciated, net	12,317,640
Total Assets	55,062,422
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on refunding bonds	145,635
LIABILITIES	
Accounts payable	1,221,753
Accrued liabilities	366,216
Retainages payable	1,306
Bond anticipation notes payable	939,896
Due to other governments	144
Unearned revenues	793,324
Accrued interest payable	166,546
Non-current liabilities	
Due within one year	2,353,642
Due in more than one year	35,355,877
Total Liabilities	41,198,704
NET POSITION	
Net investment in capital assets	14,625,826
Restricted	
Future capital projects	77,854
Debt service	215,974
Special purpose	85,237
Unrestricted	(995,538)
Total Net Position	\$ 14,009,353

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, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 5,203,618	\$ 290,919	\$ 3,272	\$ -
Public safety	5,951,884	517,646	67,048	-
Health	512,659	242,243	95,328	-
Transportation	2,949,098	3,098,462	83,937	128,635
Economic opportunity and development	238,245	-	-	-
Culture and recreation	1,773,037	256,336	2,200	-
Home and community services	2,543,766	2,403,385	97	-
Interest	780,212	-	-	12,275
Total Governmental Activities	<u>\$ 19,952,519</u>	<u>\$ 6,808,991</u>	<u>\$ 251,882</u>	<u>\$ 140,910</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, as previously reported

Prior Period Adjustment

Net Position - Beginning, as restated

Net Position - Ending

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

<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u>	
\$	(4,909,427)
	(5,367,190)
	(175,088)
	361,936
	(238,245)
	(1,514,501)
	(140,284)
	<u>(767,937)</u>
	 (12,750,736)
	 10,903,468
	71,827
	1,152,119
	76,798
	126,036
	10,161
	50,488
	163,073
	3,583
	<u>61,205</u>
	 12,618,758
	 (131,978)
	 12,047,208
	2,094,123
	<u>14,141,331</u>
\$	<u>14,009,353</u>

Village of Croton-on-Hudson, New York

Balance Sheet
Governmental Funds
May 31, 2014

	General	Water	Debt Service
ASSETS			
Cash and equivalents	\$ 6,704,234	\$ 71,563	\$ 218,318
Taxes receivable, net of allowance for uncollectible amounts	93,409	-	-
Other receivables			
Accounts	203,819	-	-
Water rents	-	851,716	-
Sewer rents	-	-	-
State and Federal aid	140,489	-	-
Due from other governments	464,814	-	-
Due from other funds	686,220	18,428	1,147
Advances to other funds	297,559	-	-
Prepaid expenditures	90	-	-
Total Assets	\$ 8,590,634	\$ 941,707	\$ 219,465
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 508,353	\$ 104,091	\$ -
Accrued liabilities	346,568	19,648	-
Retainages payable	-	-	-
Bond anticipation notes payable	-	-	-
Due to other funds	95,211	627,878	3,491
Due to other governments	144	-	-
Unearned revenues	430,860	-	-
Advances from other funds	-	-	-
Total Liabilities	1,381,136	751,617	3,491
Deferred inflows of resources			
Deferred tax revenues	72,874	-	-
Total Liabilities and Deferred Inflows of Resources	1,454,010	751,617	3,491
Fund balances (deficits)			
Nonspendable	297,649	-	-
Restricted	959,048	93,069	140,974
Assigned	958,470	97,021	75,000
Unassigned	4,921,457	-	-
Total Fund Balances (Deficits)	7,136,624	190,090	215,974
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 8,590,634	\$ 941,707	\$ 219,465

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 11,790,991	\$ 156,714	\$ 18,941,820
-	-	93,409
4,911	-	208,730
-	-	851,716
-	61,776	61,776
43,614	-	184,103
-	-	464,814
149,176	50,534	905,505
-	-	297,559
-	-	90
<u>\$ 11,988,692</u>	<u>\$ 269,024</u>	<u>\$ 22,009,522</u>
\$ 604,447	\$ 4,862	\$ 1,221,753
-	-	366,216
1,306	-	1,306
939,896	-	939,896
-	178,925	905,505
-	-	144
362,464	-	793,324
158,365	139,194	297,559
2,066,478	322,981	4,525,703
-	-	72,874
<u>2,066,478</u>	<u>322,981</u>	<u>4,598,577</u>
-	-	297,649
9,922,214	85,237	11,200,542
-	-	1,130,491
-	(139,194)	4,782,263
<u>9,922,214</u>	<u>(53,957)</u>	<u>17,410,945</u>
<u>\$ 11,988,692</u>	<u>\$ 269,024</u>	<u>\$ 22,009,522</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, 2014

Fund Balances - Total Governmental Funds	\$ 17,410,945
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.	34,255,964
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	72,874
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 amounts on refunding bonds	145,635
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	(166,546)
Bonds payable	(27,974,869)
Installment purchase debt payable	(1,881,483)
Compensated absences	(2,172,317)
Other post employment benefit obligations payable	(5,680,850)
	(37,876,065)
Net Position of Governmental Activities	\$ 14,009,353

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, 2014

	General	Water	Debt Service
REVENUES			
Real property taxes	\$ 10,907,677	\$ -	\$ -
Other tax items	71,827	-	-
Non-property taxes	1,354,953	-	-
Departmental income	3,992,166	2,157,538	-
Use of money and property	172,687	97	12,275
Licenses and permits	117,995	-	-
Fines and forfeitures	236,355	-	-
Sale of property and compensation for loss	50,488	-	-
Interfund revenues	473,931	-	-
State aid	246,091	-	-
Federal aid	167,003	-	-
Miscellaneous	3,887	-	-
Total Revenues	17,795,060	2,157,635	12,275
EXPENDITURES			
Current			
General government support	3,380,122	284,120	750
Public safety	3,590,879	-	-
Health	463,808	-	-
Transportation	1,792,333	-	-
Economic opportunity and development	47,773	-	-
Culture and recreation	1,179,583	-	-
Home and community services	999,039	1,168,638	-
Employee benefits	4,202,569	246,995	-
Debt service			
Principal	-	-	1,956,483
Interest	8,858	-	819,001
Capital outlay	-	-	-
Total Expenditures	15,664,964	1,699,753	2,776,234
Excess (Deficiency) of Revenues Over Expenditures	2,130,096	457,882	(2,763,959)
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Insurance recoveries	61,205	-	-
Transfers in	75,000	-	2,785,053
Transfers out	(2,360,912)	(459,421)	(75,000)
Total Other Financing Sources (Uses)	(2,224,707)	(459,421)	2,710,053
Net Change in Fund Balances	(94,611)	(1,539)	(53,906)
FUND BALANCES (DEFICITS)			
Beginning of Year	7,231,235	191,629	269,880
End of Year	\$ 7,136,624	\$ 190,090	\$ 215,974

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 10,907,677
-	-	71,827
-	-	1,354,953
-	143,847	6,293,551
-	24	185,083
-	-	117,995
-	-	236,355
-	-	50,488
-	-	473,931
128,635	-	374,726
-	-	167,003
-	-	3,887
128,635	143,871	20,237,476
-	24,159	3,689,151
-	-	3,590,879
-	-	463,808
-	-	1,792,333
-	-	47,773
-	-	1,179,583
-	97,007	2,264,684
-	6,312	4,455,876
-	-	1,956,483
-	-	827,859
3,642,163	-	3,642,163
3,642,163	127,478	23,910,592
(3,513,528)	16,393	(3,673,116)
6,089,500	-	6,089,500
-	-	61,205
138,412	-	2,998,465
-	(103,132)	(2,998,465)
6,227,912	(103,132)	6,150,705
2,714,384	(86,739)	2,477,589
7,207,830	32,782	14,933,356
\$ 9,922,214	\$ (53,957)	\$ 17,410,945

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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, 2014

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

Net Change in Fund Balances - Total Governmental Funds	\$ 2,477,589
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	3,741,515
Depreciation expense	(1,090,947)
	<u>2,650,568</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	(4,209)
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	(6,089,500)
Principal paid on serial bonds	1,822,500
Principal paid on installment purchase debt	133,983
Amortization of loss on refunding and issuance premium	(78,657)
	<u>(4,211,674)</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	42,738
Compensated absences	(92,560)
Other post employment benefit obligations	(994,430)
	<u>(1,044,252)</u>
Change in Net Position of Governmental Activities	\$ <u>(131,978)</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, 2014

	General			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 10,881,154	\$ 10,881,154	\$ 10,907,677	\$ 26,523
Other tax items	55,001	55,001	71,827	16,826
Non-property taxes	1,260,000	1,260,000	1,354,953	94,953
Departmental income	3,969,116	3,969,116	3,992,166	23,050
Use of money and property	153,885	153,885	172,687	18,802
Licenses and permits	110,682	110,682	117,995	7,313
Fines and forfeitures	233,241	233,241	236,355	3,114
Sale of property and compensation for loss	32,145	32,145	50,488	18,343
Interfund revenues	522,000	522,000	473,931	(48,069)
State aid	157,347	159,183	246,091	86,908
Federal aid	-	95,328	167,003	71,675
Miscellaneous	-	-	3,887	3,887
Total Revenues	17,374,571	17,471,735	17,795,060	323,325
EXPENDITURES				
Current				
General government support	3,388,117	3,396,990	3,380,122	16,868
Public safety	3,656,284	3,605,729	3,590,879	14,850
Health	451,745	485,105	463,808	21,297
Transportation	2,307,417	1,826,164	1,792,333	33,831
Economic opportunity and development	49,970	50,143	47,773	2,370
Culture and recreation	1,163,174	1,203,278	1,179,583	23,695
Home and community services	495,309	1,078,390	999,039	79,351
Employee benefits	4,559,298	4,529,471	4,202,569	326,902
Debt service				
Interest	9,736	9,736	8,858	878
Total Expenditures	16,081,050	16,185,006	15,664,964	520,042
Excess of Revenues Over Expenditures	1,293,521	1,286,729	2,130,096	843,367
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	8,500	8,500	61,205	52,705
Transfers in	75,000	75,000	75,000	-
Transfers out	(2,356,890)	(2,360,912)	(2,360,912)	-
Total Other Financing Uses	(2,273,390)	(2,277,412)	(2,224,707)	52,705
Net Change in Fund Balances	(979,869)	(990,683)	(94,611)	896,072
FUND BALANCES				
Beginning of Year	979,869	990,683	7,231,235	6,240,552
End of Year	\$ -	\$ -	\$ 7,136,624	\$ 7,136,624

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)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
2,176,268	2,176,268	2,157,538	(18,730)
400	400	97	(303)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,176,668	2,176,668	2,157,635	(19,033)
271,119	285,758	284,120	1,638
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,215,940	1,185,904	1,168,638	17,266
235,222	250,619	246,995	3,624
-	-	-	-
1,722,281	1,722,281	1,699,753	22,528
454,387	454,387	457,882	3,495
-	-	-	-
-	-	-	-
(459,421)	(459,421)	(459,421)	-
(459,421)	(459,421)	(459,421)	-
(5,034)	(5,034)	(1,539)	3,495
5,034	5,034	191,629	186,595
\$ -	\$ -	\$ 190,090	\$ 190,090

Village of Croton-on-Hudson, New York

Statement of Net Position
Fiduciary Funds
May 31, 2014

	Agency	Pension Trust
ASSETS		
Cash and equivalents	\$ 244,906	\$ 39,788
Investments, at fair value		
U.S. Equities	-	25,765
International Equities	-	41,828
Fixed Income	-	340,712
Mixed Assets	-	342,491
Other Assets	-	42,095
	-	792,891
Accounts receivable	72,764	94,885
Total Assets	317,670	927,564
LIABILITIES		
Accounts payable	71,491	-
Employee payroll deductions	115,501	-
Deposits	130,678	-
Total Liabilities	317,670	-
NET POSITION		
Held in trust for pension benefits (A schedule of funding progress for the plan is presented in the required supplementary information)	\$ -	\$ 927,564

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

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, 2014

ADDITIONS

Earnings on investments	\$ 36,109
Pension contributions	91,936
Net change in fair value of investments	<u>(22,731)</u>
Total Additions	105,314

DEDUCTIONS

Pension benefits	<u>30,684</u>
Change in Net Position	74,630

NET POSITION

Beginning of Year	<u>852,934</u>
End of Year	<u><u>\$ 927,564</u></u>

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

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Village of Croton-on-Hudson, New York

Notes to Financial Statements
May 31, 2014

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 restricted, committed or assigned 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, 2014.

Investments of the Pension Trust Fund – Fire Service Award Program investments 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, 2014,

Note 1 - Summary of Significant Accounting Policies (Continued)

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 nonspendable fund balance 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 inventoriable 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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 \$430,860 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.

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

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

The Village reported deferred outflows of resources of \$145,635 for a deferred loss on the refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunded debt.

The Village also reported deferred inflows of resources of \$72,874 for uncollected taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the 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:

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The 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, represents amounts constrained either by the policies of 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. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the 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.

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 January 12, 2015.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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.
- 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 2013-2014 was \$25,513,047 which exceeded the actual levy (inclusive of exclusions) by \$14,631,893.

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

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.

C. Application of Accounting Standards

For the year ended May 31, 2014, the Village implemented GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows/inflows of resources, certain items that were previously reported as assets and liabilities. This statement also recognizes as outflows of resources (expenses or expenditures) or inflows or resources (revenues), certain items that were previously reported as 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		845
Purchase of Land		4,381
Equipment		26,477
Valve Replacement and Installation		54,887
Chief Car Replacement		158
Road, Sidewalks and Curbs		34,321
Equipment - Brush Chipper		4,272
Equipment - Police Cruiser		298
Replacement of Police Server		240
Voice Recorder		144
Washington Engine Fire House Apron/Wall and Kitchen Repairs		2,402
Fire FCC Narrowband Radio Compliance Plan		991
Police FCC Narrowband Radio Compliance Plan		475
911 Remembrance Memorial		13,750

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

Note 2 - Stewardship, Compliance and Accountability (Continued)

E. Fund Deficits

The Sewer Fund has an unassigned deficit of \$139,194 at May 31, 2014. 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.

G. Prior Period Adjustment

The Village during the 2014 fiscal year, determined that certain capital assets had been improperly excluded in the previous year's financial statement. As a result, an increase to net position reported as of June 1, 2013 of \$2,094,123 was required. The components of this adjustments are detailed in Note 3,C.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2014 consisted of the following:

Current year	\$ 93,792
Prior years	<u>99,839</u>
	193,591
Less - Allowance for uncollectible amounts	<u>(100,182)</u>
	<u>\$ 93,409</u>

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

B. Due From/To Other Funds, Advances From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2014 were as follows:

Fund	Due From	Due To	Advances From/To
General	\$ 686,220	\$ 95,211	\$ 297,559
Water	18,428	627,878	-
Debt Service	1,147	3,491	-
Capital Projects	149,176	-	(158,365)
Non-Major Governmental	50,534	178,925	(139,194)
	<u>\$ 905,505</u>	<u>\$ 905,505</u>	<u>\$ -</u>

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

C. Capital Assets

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

	Balance June 1, 2013	Prior Period Adjustment	Balance June 1, 2013 as restated	Additions	Deletions	Balance May 31, 2014
Capital Assets, not being depreciated						
Land	\$ 4,773,011	-	4,773,011	\$ -	\$ -	\$ 4,773,011
Construction-in-progress	13,943,470	-	13,943,470	3,221,843	-	17,165,313
Total Capital Assets, not being depreciated	<u>\$ 18,716,481</u>	<u>\$ -</u>	<u>\$ 18,716,481</u>	<u>\$ 3,221,843</u>	<u>\$ -</u>	<u>\$ 21,938,324</u>
Capital Assets, being depreciated						
Buildings and improvements	\$ 8,820,792	650,470	9,471,262	\$ 67,240	\$ -	\$ 9,538,502
Machinery and equipment	4,631,629	2,306,203	6,937,832	323,185	4,600	\$ 7,256,417
Infrastructure	28,345,597	-	28,345,597	129,247	148,197	28,326,647
Total Capital Assets, being depreciated	<u>41,798,018</u>	<u>2,956,673</u>	<u>44,754,691</u>	<u>519,672</u>	<u>152,797</u>	<u>45,121,566</u>
Less Accumulated Depreciation for						
Buildings and improvements	3,923,444	274,660	4,198,104	343,415	-	\$ 4,541,519
Machinery and equipment	3,705,858	587,890	4,293,748	502,125	4,600	\$ 4,791,273
Infrastructure	23,373,924	-	23,373,924	245,407	148,197	23,471,134
Total Accumulated Depreciation	<u>31,003,226</u>	<u>862,550</u>	<u>31,865,776</u>	<u>1,090,947</u>	<u>152,797</u>	<u>32,803,926</u>
Total Capital Assets, being depreciated, net	<u>\$ 10,794,792</u>	<u>\$ 2,094,123</u>	<u>\$ 12,888,915</u>	<u>\$ (571,275)</u>	<u>\$ -</u>	<u>\$ 12,317,640</u>
Capital Assets, net	<u>\$ 29,511,273</u>	<u>\$ 2,094,123</u>	<u>\$ 31,605,396</u>	<u>\$ 2,650,568</u>	<u>\$ -</u>	<u>\$ 34,255,964</u>

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 236,865
Public Safety	286,056
Health	31,123
Transportation	358,861
Economic Opportunity and Development	1,323
Culture and Recreation	53,103
Home and Community Services	123,616
	<u>\$ 1,090,947</u>

D. Accrued Liabilities

Accrued liabilities at May 31, 2014 were as follows:

	General Fund	Water Fund	Total
Payroll and employee benefits	<u>\$ 346,568</u>	<u>\$ 19,648</u>	<u>\$ 366,216</u>

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 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, 2014 are as follows:

	Tier/Plan	Rate
ERS	1 75i/41J	28.8%
	3 A14/41J	21.0
	4 A15/41J	21.0
	5 A15/41J	16.9
	6 A15/41J2	11.4

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
PFRS	1 384D/3029D	33.7%
	2 384D	28.4
	3 384D	27.5
	5 384D	27.1
	6 384D	24.1

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

	<u>ERS</u>	<u>PFRS</u>
2014	\$ 874,243	\$ 760,568
2013	921,350	713,562
2012	853,295	532,620

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

Of the current year ERS contribution, \$784,674 was charged to the General Fund, \$85,369 was charged to the Water Fund and \$4,200 was charged to the Sewer Fund. The PFRS contribution was charged to the General Fund.

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, 2013</u>
Active - non-vested	77
Retirees and beneficiaries currently receiving benefits	25
Terminated employees entitled to benefits but not yet receiving them	-

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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>
2014	\$ 91,936	\$ 91,936	100.00 %
2013	93,287	93,287	100.00
2012	96,529	96,529	100.00

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

F. Short-Term Capital Borrowings - Bond Anticipation Notes

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

<u>Purpose</u>	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 1, 2013</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance May 31, 2014</u>
Various	5/14/2013	-	- %	\$ 155,040	\$ -	\$ 155,040	\$ -
Various	1/10/2013	-	-	740,746	-	740,746	-
Various	1/09/2014	1/09/2015	0.87	-	939,896	-	939,896
Total				<u>\$ 895,786</u>	<u>\$ 939,896</u>	<u>\$ 895,786</u>	<u>\$ 939,896</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 \$8,858 were recorded in the fund financial statements in the General Fund. Interest expense of \$13,912 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, 2014

Note 3 - Detailed Notes on All Funds (Continued)

G. Long-Term Liabilities

The changes in the Village's long-term indebtedness during the year ended May 31, 2014 are summarized as follows:

	Balance June 1, 2013	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2014	Due Within One Year
Bonds Payable	\$ 23,532,500	\$ 6,089,500	\$ 1,822,500	\$ 27,799,500	\$ 1,994,500
Plus					
Unamortized premium on bonds	195,475	-	20,106	175,369	-
	23,727,975	6,089,500	1,842,606	27,974,869	1,994,500
Other Non-Current Liabilities:					
Installment Purchase					
Debt Payable	2,015,466	-	133,983	1,881,483	142,142
Compensated Absences	2,079,757	300,560	208,000	2,172,317	217,000
Other Post Employment Benefit					
Obligations Payable	4,686,420	1,700,714	706,284	5,680,850	-
Total Long-Term Liabilities	\$ 32,509,618	\$ 8,090,774	\$ 2,890,873	\$ 37,709,519	\$ 2,353,642

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 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, 2014 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2014
Various Purposes	2005	2,649,000	February, 2025	3.50-4.00 %	\$ 130,000
Various Purposes	2007	2,267,100	July, 2026	4.490	1,685,000
Various Purposes	2007	1,415,800	February, 2027	4.00-4.250	1,045,000
Various Purposes	2008	1,058,548	April, 2022	3.75-4.200	675,000
Various Purposes	2009	4,972,500	May, 2028	3.00-4.375	3,985,000
Refunding Bond	2011	3,080,000	May, 2019	2.00-3.000	1,855,000
Various Purposes	2011	3,801,500	March, 2030	2.25-4.000	3,310,000
Various Purposes	2012	1,686,060	April, 2028	2.00-4.000	1,505,000
Refunding Bond	2013	3,270,000	November, 2024	1.00-3.00	3,005,000
Various Purposes	2013	4,717,500	May, 2033	1.00-3.00	4,515,000
Various Purposes	2014	6,089,500	April, 2044	3.00-4.00	6,089,500
					<u>\$ 27,799,500</u>

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)
May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$700,053 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$648,794 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, 2014 was \$1,881,483.

Interest expenditures of \$118,948 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$117,506 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded and installment purchase debt outstanding as of May 31, 2014, 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
2015	\$ 1,994,500	\$ 861,958	\$ 142,142	\$ 110,788	\$ 2,136,642	\$ 972,746
2016	2,045,000	812,079	150,799	102,132	2,195,799	914,211
2017	2,105,000	754,460	159,982	92,948	2,264,982	847,408
2018	1,690,000	699,623	169,725	83,205	1,859,725	782,828
2019	1,605,000	650,391	180,062	72,869	1,785,062	723,260
2020-2024	7,060,000	2,606,160	1,078,773	185,878	8,138,773	2,792,038
2025-2029	6,105,000	1,493,425	-	-	6,105,000	1,493,425
2030-2034	2,415,000	759,838	-	-	2,415,000	759,838
2035-2039	1,250,000	459,425	-	-	1,250,000	459,425
2040-2044	1,530,000	188,600	-	-	1,530,000	188,600
	<u>\$ 27,799,500</u>	<u>\$ 9,285,959</u>	<u>\$ 1,881,483</u>	<u>\$ 647,820</u>	<u>\$ 29,680,983</u>	<u>\$ 9,933,779</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.

Prior Year Defeasance

In a prior year, the Village defeased serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's financial statements. At May 31, 2014, \$1,635,000 of bonds outstanding are considered defeased.

Note 3 - Detailed Notes on All Funds (Continued)

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. 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
2015	6.00 %	5.00 %
2016+	5.00	5.00

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

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 24 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, 2014 was as follows:

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

Amortization Component	
Actuarial Accrued Liability as of June 1, 2013	\$ 25,148,487
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 25,148,487</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 7,627,113</u>
UAAL as a Percentage of Covered Payroll	<u>329.72%</u>
Annual Required Contribution	\$ 1,732,117
Interest on Net OPEB Obligation	187,457
Adjustment to ARC	<u>(218,860)</u>
Annual OPEB Cost	1,700,714
Contributions Made	<u>(706,284)</u>
Increase in Net OPEB Obligation	994,430
Net OPEB Obligation - Beginning of Year	<u>4,686,420</u>
Net OPEB Obligation - End of Year	<u>\$ 5,680,850</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
2014	\$ 1,700,714	41.53 %	\$ 5,680,850
2013	1,624,614	41.03	4,686,420
2012	1,554,774	37.78	3,728,325

Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)

May 31, 2014

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
	General Fund	Debt Service Fund	Capital Projects Fund	
General Fund	\$ -	\$ 2,222,500	\$ 138,412	\$ 2,360,912
Water Fund	-	459,421	-	459,421
Debt Service Fund	75,000	-	-	75,000
Non-Major Governmental Funds	-	103,132	-	103,132
	<u>\$ 75,000</u>	<u>\$ 2,785,053</u>	<u>\$ 138,412</u>	<u>\$ 2,998,465</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 and 3) move amounts in the Debt Service Fund to the General Fund as principal and interest payments become due.

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 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.

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, 2014

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2014						2013					
	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	90	\$ -	\$ -	\$ -	\$ -	90	\$ 880	\$ 30	\$ -	\$ -	\$ -	910
Advances	297,559	-	-	-	-	297,559	52,431	-	-	-	-	52,431
Total Nonspendable	297,649	-	-	-	-	297,649	53,311	30	-	-	-	53,341
Restricted												
Employee benefits	959,048	15,215	-	-	-	974,263	957,612	15,215	-	-	-	972,827
Future capital projects	-	77,854	-	-	-	77,854	-	77,860	-	-	-	77,860
Debt service	-	-	140,974	-	-	140,974	-	-	194,880	-	-	194,880
Capital projects	-	-	-	9,922,214	-	9,922,214	-	-	-	7,207,830	-	7,207,830
Parklands	-	-	-	-	85,109	85,109	-	-	-	-	85,084	85,084
Trusts	-	-	-	-	128	128	-	-	-	-	129	129
Total Restricted	959,048	93,069	140,974	9,922,214	85,237	11,200,542	957,612	92,875	194,880	7,207,830	85,213	8,538,410
Assigned												
Purchases on order	6,018	-	-	-	-	6,018	49,725	15	-	-	-	49,740
General government support	12,968	-	-	-	-	12,968	35,096	-	-	-	-	35,096
Public safety	20,866	-	-	-	-	20,866	22,361	-	-	-	-	22,361
Health	14,646	-	-	-	-	14,646	79,578	-	-	-	-	79,578
Transportation	2,370	-	-	-	-	2,370	-	-	-	-	-	-
Economic opportunity and development	5,434	-	-	-	-	5,434	39,770	-	-	-	-	39,770
Culture and recreation	46,168	12,268	-	-	-	58,436	53,339	5,019	-	-	-	58,358
Home and community services	108,470	12,268	-	-	-	120,738	279,869	5,034	-	-	-	284,903
Subsequent year's expenditures	500,000	-	75,000	-	-	575,000	700,000	-	75,000	-	-	775,000
Future retirement expenditures	350,000	30,300	-	-	-	380,300	350,000	30,300	-	-	-	380,300
Water	-	54,453	-	-	-	54,453	-	63,390	-	-	-	63,390
Total Assigned	958,470	97,021	75,000	-	-	1,130,491	1,329,869	98,724	75,000	-	-	1,503,593
Unassigned												
Purchases on order	-	-	-	-	6,610	6,610	-	-	-	-	7,760	7,760
Home and community services	4,921,457	-	-	-	(145,804)	4,775,653	4,890,443	-	-	-	(60,191)	4,830,252
Other	-	-	-	-	(139,194)	(139,194)	4,890,443	-	-	-	(52,431)	4,838,012
Total Unassigned	4,921,457	-	-	-	(139,194)	4,782,263	4,890,443	-	-	-	(52,431)	4,838,012
Total Fund Balances	\$ 7,136,624	\$ 190,090	\$ 215,974	\$ 9,922,214	\$ (53,957)	\$ 17,410,945	\$ 7,231,235	\$ 191,629	\$ 269,880	\$ 7,207,830	\$ 32,782	\$ 14,933,356

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, 2014, 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
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
2013	835,627	797,498	(38,129)	104.78

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>
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
2014	91,936	91,936	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, 2013	\$ -	\$ 25,148,487	\$ 25,148,487	- %	\$ 7,627,113	329.72 %
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

Village of Croton-on-Hudson, New York

General Fund
Comparative Balance Sheet
May 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 6,704,234	\$ 7,049,802
Investments	-	12,738
Taxes receivable, net of allowance for uncollectible amounts of \$100,182 in 2014 and \$122,496 in 2013	93,409	89,186
Other receivables		
Accounts	203,819	123,930
State and Federal aid	140,489	280,602
Due from other governments	464,814	582,686
Due from other funds	686,220	353,461
Advances to other funds	297,559	52,431
	1,792,901	1,393,110
Prepaid expenditures	90	880
Total Assets	<u>\$ 8,590,634</u>	<u>\$ 8,545,716</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 508,353	\$ 429,606
Accrued liabilities	346,568	346,126
Due to other funds	95,211	2,167
Due to other governments	144	144
Unearned revenues	430,860	459,355
Total Liabilities	1,381,136	1,237,398
Deferred inflows of resources		
Deferred tax revenues	72,874	77,083
Fund balance		
Nonspendable	297,649	53,311
Restricted	959,048	957,612
Assigned	958,470	1,329,869
Unassigned	4,921,457	4,890,443
Total Fund Balance	7,136,624	7,231,235
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 8,590,634</u>	<u>\$ 8,545,716</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,

	2014			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 10,881,154	\$ 10,881,154	\$ 10,907,677	\$ 26,523
Other tax items	55,001	55,001	71,827	16,826
Non-property taxes	1,260,000	1,260,000	1,354,953	94,953
Departmental income	3,969,116	3,969,116	3,992,166	23,050
Use of money and property	153,885	153,885	172,687	18,802
Licenses and permits	110,682	110,682	117,995	7,313
Fines and forfeitures	233,241	233,241	236,355	3,114
Sale of property and compensation for loss	32,145	32,145	50,488	18,343
Interfund revenues	522,000	522,000	473,931	(48,069)
State aid	157,347	159,183	246,091	86,908
Federal aid	-	95,328	167,003	71,675
Miscellaneous	-	-	3,887	3,887
Total Revenues	17,374,571	17,471,735	17,795,060	323,325
EXPENDITURES				
Current				
General government support	3,388,117	3,396,990	3,380,122	16,868
Public safety	3,656,284	3,605,729	3,590,879	14,850
Health	451,745	485,105	463,808	21,297
Transportation	2,307,417	1,826,164	1,792,333	33,831
Economic opportunity and development	49,970	50,143	47,773	2,370
Culture and recreation	1,163,174	1,203,278	1,179,583	23,695
Home and community services	495,309	1,078,390	999,039	79,351
Employee benefits	4,559,298	4,529,471	4,202,569	326,902
Debt service				
Interest	9,736	9,736	8,858	878
Total Expenditures	16,081,050	16,185,006	15,664,964	520,042
Excess of Revenues Over Expenditures	1,293,521	1,286,729	2,130,096	843,367
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	8,500	8,500	61,205	52,705
Transfers in	75,000	75,000	75,000	-
Transfers out	(2,356,890)	(2,360,912)	(2,360,912)	-
Total Other Financing Uses	(2,273,390)	(2,277,412)	(2,224,707)	52,705
Net Change in Fund Balance	(979,869)	(990,683)	(94,611)	896,072
FUND BALANCE				
Beginning of Year	979,869	990,683	7,231,235	6,240,552
End of Year	\$ -	\$ -	\$ 7,136,624	\$ 7,136,624

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 10,583,032	\$ 10,583,032	\$ 10,583,568	\$ 536
45,001	45,001	62,241	17,240
1,184,000	1,184,000	1,301,659	117,659
3,736,547	3,740,366	3,898,389	158,023
162,500	162,500	164,174	1,674
76,000	76,000	128,759	52,759
210,100	210,100	221,218	11,118
19,500	19,500	76,728	57,228
522,000	522,000	522,000	-
157,813	161,350	264,271	102,921
-	100,186	481,397	381,211
-	-	1,431	1,431
16,696,493	16,804,035	17,705,835	901,800
3,381,922	3,524,327	3,468,621	55,706
3,475,614	3,462,817	3,422,819	39,998
426,527	503,052	466,854	36,198
2,281,535	1,576,744	1,486,137	90,607
50,970	50,970	49,948	1,022
1,168,127	1,098,934	1,052,030	46,904
548,653	1,302,744	1,240,592	62,152
4,127,409	4,068,964	4,067,305	1,659
12,707	12,707	8,923	3,784
15,473,464	15,601,259	15,263,229	338,030
1,223,029	1,202,776	2,442,606	1,239,830
7,900	93,711	92,816	(895)
-	-	-	-
(2,216,762)	(2,295,662)	(2,292,258)	3,404
(2,208,862)	(2,201,951)	(2,199,442)	2,509
(985,833)	(999,175)	243,164	1,242,339
985,833	999,175	6,988,071	5,988,896
\$ -	\$ -	\$ 7,231,235	\$ 7,231,235

Village of Croton-on-Hudson, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
REAL PROPERTY TAXES	\$ 10,881,154	\$ 10,881,154	\$ 10,907,677	\$ 26,523	\$ 10,583,568
OTHER TAX ITEMS					
Interest and penalties on real property taxes	55,001	55,001	71,827	16,826	62,241
NON-PROPERTY TAXES					
Non-property tax distribution from County	1,075,000	1,075,000	1,152,119	77,119	1,092,131
Franchise fees	65,000	65,000	76,798	11,798	70,481
Utilities gross receipts taxes	120,000	120,000	126,036	6,036	139,047
	1,260,000	1,260,000	1,354,953	94,953	1,301,659
DEPARTMENTAL INCOME					
Garbage removal	79,300	79,300	95,750	16,450	92,400
Parks and recreation charges	251,500	251,500	256,336	4,836	227,071
Ambulance service	261,126	261,126	238,861	(22,265)	273,027
Planning Board fees	2,000	2,000	4,875	2,875	2,825
Zoning fees	4,972	4,972	1,375	(3,597)	3,425
Fire protection services for other governments	263,876	263,876	263,876	-	267,776
Parking permits	3,085,000	3,085,000	3,095,208	10,208	3,007,390
Other	21,342	21,342	35,885	14,543	24,475
	3,969,116	3,969,116	3,992,166	23,050	3,898,389

USE OF MONEY AND PROPERTY					
Earnings on investments	6,385	6,385	11,597	5,212	8,513
Rental of real property	147,500	147,500	161,090	13,590	155,661
	153,885	153,885	172,687	18,802	164,174
LICENSES AND PERMITS					
Business and occupational licenses	6,530	6,530	5,875	(655)	8,120
Building permits	54,673	54,673	53,795	(878)	52,283
Dog license apportionment	1,750	1,750	3,199	1,449	2,932
Permit fees	47,729	47,729	55,126	7,397	65,424
	110,682	110,682	117,995	7,313	128,759
FINES AND FORFEITURES					
Fines and forfeited bail	233,241	233,241	236,355	3,114	221,218
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of equipment	3,000	3,000	7,070	4,070	200
Minor sales	22,645	22,645	17,503	(5,142)	25,112
Other	6,500	6,500	25,915	19,415	51,416
	32,145	32,145	50,488	18,343	76,728
	522,000	522,000	473,931	(48,069)	522,000
INTERFUND REVENUES					
STATE AID					
Per capita	45,347	45,347	51,779	6,432	45,347
Mortgage tax	100,000	100,000	111,294	11,294	113,061
Youth programs	-	-	1,872	1,872	1,872
Snow and ice reimbursement	-	12,000	17,534	5,534	18,354
Emergency management assistance	-	-	-	-	25,130
DARE	-	-	61,776	61,776	59,420
Other	12,000	1,836	1,836	-	1,087
	157,347	159,183	246,091	86,908	264,271

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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, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
FEDERAL AID					
Public health	\$ -	\$ 95,328	\$ 95,328	\$ -	\$ 92,836
Emergency management assistance	-	-	66,403	66,403	379,630
Selective enforcement	-	-	5,272	5,272	8,931
	-	95,328	167,003	71,675	481,397
MISCELLANEOUS					
Refund of prior year's expenditures	-	-	3,583	3,583	416
Gifts and donations	-	-	304	304	1,015
	-	-	3,887	3,887	1,431
TOTAL REVENUES	17,374,571	17,471,735	17,795,060	323,325	17,705,835
OTHER FINANCING SOURCES					
Insurance recoveries	8,500	8,500	61,205	52,705	92,816
Transfers in	75,000	75,000	75,000	-	-
Debt Service Fund					
TOTAL OTHER FINANCING SOURCES	83,500	83,500	136,205	52,705	92,816
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 17,458,071	\$ 17,555,235	\$ 17,931,265	\$ 376,030	\$ 17,798,651

Village of Croton-on-Hudson, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 29,000	\$ 29,000	\$ 25,320	\$ 3,680	\$ 35,490
Justice	257,329	267,392	263,722	3,670	239,323
Mayor	8,150	8,150	7,895	255	19,760
Clerk - Treasurer	385,685	390,813	390,430	383	378,063
Assessment	10,266	10,266	9,831	435	9,754
Manager	192,440	192,440	191,540	900	189,467
Data processing	210,447	208,353	208,012	341	200,821
Law	197,555	228,679	228,678	1	291,192
Engineer	492,452	491,722	490,113	1,609	477,478
Operation of plant and buildings	133,530	192,200	191,910	290	160,754
Auditor	39,160	46,453	46,453	-	50,138
Central garage	457,767	518,052	514,964	3,088	498,342
Central communications	382,182	380,852	380,194	658	361,277
Unallocated insurance	244,700	244,700	244,699	1	309,337
Municipal association dues	21,441	16,762	16,602	160	18,491
Judgments and claims	2,000	-	-	-	-
Purchase of land	10,750	-	-	-	6,550
Refunds of real property taxes	30,000	10,447	10,446	1	71,141
Taxes and assessments on property	12,000	12,000	11,118	882	10,918
Tax advertising	500	500	103	397	265
Records management	120,215	121,533	121,416	117	114,797
Metropolitan transportation authority commuter mobility tax	25,548	26,676	26,676	-	25,263
Contingent account	125,000	-	-	-	-
	<u>3,388,117</u>	<u>3,396,990</u>	<u>3,380,122</u>	<u>16,868</u>	<u>3,468,621</u>

PUBLIC SAFETY					
Police	3,219,936	3,161,567	3,152,104	9,463	2,948,886
Jail	500	500	120	380	60
Fire Department	410,424	422,793	418,683	4,110	441,381
Control of animals	11,525	9,290	8,643	647	7,804
Traffic control	13,899	11,579	11,329	250	24,688
	3,656,284	3,605,729	3,590,879	14,850	3,422,819
HEALTH					
Registrar of Vital Statistics	6,900	3,353	3,352	1	4,291
Public health	11,886	104,538	92,653	11,885	92,306
Ambulance	432,959	377,214	367,803	9,411	370,257
	451,745	485,105	463,808	21,297	466,854
TRANSPORTATION					
Street maintenance and administration	1,719,630	1,002,688	981,919	20,769	922,060
Snow removal	208,076	376,730	375,861	869	169,901
Street lighting	28,768	41,128	36,699	4,429	90,830
Off-street parking	297,538	329,780	328,067	1,713	225,204
Brush and weeds	53,405	75,838	69,787	6,051	78,142
	2,307,417	1,826,164	1,792,333	33,831	1,486,137
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Publicity	49,970	50,143	47,773	2,370	49,948
CULTURE AND RECREATION					
Parks, playgrounds and recreation	1,053,563	1,089,481	1,081,765	7,716	957,817
Historian	16,305	16,305	8,729	7,576	5,416
Celebrations	24,415	28,601	28,186	415	26,065
Senior citizens programs	68,891	68,891	60,903	7,988	62,732
	1,163,174	1,203,278	1,179,583	23,695	1,052,030

(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, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
HOME AND COMMUNITY SERVICES					
Zoning	\$ 4,213	\$ 4,213	\$ 2,352	\$ 1,861	\$ 2,251
Planning	39,094	27,052	11,395	15,657	4,075
Recycling program	126,273	393,318	387,394	5,924	393,145
Sanitary and storm sewers	36,079	92,565	71,713	20,852	110,774
Refuse and garbage	153,594	316,969	307,963	9,006	303,154
Street cleaning	8,080	49,455	49,452	3	30,763
Shade trees	76,400	116,710	99,995	16,715	160,569
Community beautification	23,000	25,773	21,750	4,023	26,878
Other	28,576	52,335	47,025	5,310	208,983
	495,309	1,078,390	999,039	79,351	1,240,592
EMPLOYEE BENEFITS					
State retirement	961,976	955,585	784,674	170,911	834,732
State retirement - Police and Fire	760,555	766,946	760,568	6,378	713,562
Service awards program	129,500	96,997	91,936	5,061	93,287
Social security	437,245	439,418	436,937	2,481	414,789
Workers' compensation benefits	257,683	257,683	235,682	22,001	229,232
Life insurance	6,955	6,955	6,681	274	5,990
Health insurance	1,687,136	1,673,743	1,612,067	61,676	1,534,523
Dental insurance	91,696	95,569	95,569	-	82,143
Medicare reimbursement	206,552	216,575	172,882	43,693	152,600
Unemployment benefits	20,000	20,000	5,573	14,427	6,447
	4,559,298	4,529,471	4,202,569	326,902	4,067,305

DEBT SERVICE					
Interest					
Bond anticipation notes	9,736	9,736	8,858	878	8,923
TOTAL EXPENDITURES	<u>16,081,050</u>	<u>16,185,006</u>	<u>15,664,964</u>	<u>520,042</u>	<u>15,263,229</u>
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	134,390	138,412	138,412	-	182,282
Debt Service Fund	2,222,500	2,222,500	2,222,500	-	2,109,976
TOTAL OTHER FINANCING USES	<u>2,356,890</u>	<u>2,360,912</u>	<u>2,360,912</u>	<u>-</u>	<u>2,292,258</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 18,437,940</u>	<u>\$ 18,545,918</u>	<u>\$ 18,025,876</u>	<u>\$ 520,042</u>	<u>\$ 17,555,487</u>

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Village of Croton-on-Hudson, New York

Water Fund
Comparative Balance Sheet
May 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 71,563	\$ 63,412
Receivables		
Water rents	851,716	729,866
Due from other funds	18,428	19
	870,144	729,885
Prepaid expenditures	-	30
Total Assets	\$ 941,707	\$ 793,327
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 104,091	\$ 45,535
Accrued liabilities	19,648	17,092
Due to other funds	627,878	539,071
Total Liabilities	751,617	601,698
Fund balance		
Nonspendable	-	30
Restricted	93,069	92,875
Assigned	97,021	98,724
Total Fund Balance	190,090	191,629
Total Liabilities and Fund Balance	\$ 941,707	\$ 793,327

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,**

	2014			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 2,176,268	\$ 2,176,268	\$ 2,157,538	\$ (18,730)
Use of money and property	400	400	97	(303)
Total Revenues	2,176,668	2,176,668	2,157,635	(19,033)
EXPENDITURES				
Current				
General government support	271,119	285,758	284,120	1,638
Home and community services	1,215,940	1,185,904	1,168,638	17,266
Employee benefits	235,222	250,619	246,995	3,624
Total Expenditures	1,722,281	1,722,281	1,699,753	22,528
Excess of Revenues Over Expenditures	454,387	454,387	457,882	3,495
OTHER FINANCING USES				
Transfers out	(459,421)	(459,421)	(459,421)	-
Net Change in Fund Balance	(5,034)	(5,034)	(1,539)	3,495
FUND BALANCE				
Beginning of Year	5,034	5,034	191,629	186,595
End of Year	\$ -	\$ -	\$ 190,090	\$ 190,090

2013

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	1,216,274	1,168,112	48,162
263,790	271,195	268,852	2,343
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
(4,387)	(4,387)	15,840	20,227
4,387	4,387	175,789	171,402
\$ -	\$ -	\$ 191,629	\$ 191,629

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Village of Croton-on-Hudson, New York

Water Fund

Schedule of Revenues Compared to Budget

Year Ended May 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
DEPARTMENTAL INCOME					
Metered water sales	\$ 2,154,868	\$ 2,154,868	\$ 2,143,044	\$ (11,824)	\$ 1,998,290
Interest and penalties on water rents	21,400	21,400	14,494	(6,906)	12,010
	<u>2,176,268</u>	<u>2,176,268</u>	<u>2,157,538</u>	<u>(18,730)</u>	<u>2,010,300</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	400	400	97	(303)	133
	<u>400</u>	<u>400</u>	<u>97</u>	<u>(303)</u>	<u>133</u>
TOTAL REVENUES	<u>\$ 2,176,668</u>	<u>\$ 2,176,668</u>	<u>\$ 2,157,635</u>	<u>\$ (19,033)</u>	<u>\$ 2,010,433</u>

Village of Croton-on-Hudson, New York

Water Fund

**Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended May 31, 2014
(With Comparative Actuals for 2013)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
GENERAL GOVERNMENT SUPPORT					
Central communications	\$ 171,325	\$ 202,906	\$ 202,906	\$ -	\$ 170,095
Auditor	7,343	7,343	6,374	969	8,074
Unallocated insurance	61,006	69,064	69,064	-	60,246
Municipal association dues	1,445	1,445	911	534	1,415
Taxes and assessments on property	5,000	5,000	4,865	135	5,033
Contingent account	25,000	-	-	-	-
	271,119	285,758	284,120	1,638	244,863
HOME AND COMMUNITY SERVICES					
Water administration	587,373	549,799	544,921	4,878	588,636
Pumping, supply and power	148,887	149,276	137,459	11,817	150,015
Transmission and distribution	479,680	486,829	486,258	571	429,461
	1,215,940	1,185,904	1,168,638	17,266	1,168,112
EMPLOYEE BENEFITS					
State retirement	84,015	85,369	85,369	-	82,983
Social security	29,056	29,056	28,843	213	30,895
Workers' compensation benefits	42,464	41,210	38,777	2,433	38,604
Life insurance	358	358	293	65	283
Health and dental insurance	71,275	86,572	86,561	11	108,817
Medicare reimbursement	8,054	8,054	7,152	902	7,270
	235,222	250,619	246,995	3,624	268,852
TOTAL EXPENDITURES	1,722,281	1,722,281	1,699,753	22,528	1,681,827

OTHER FINANCING USES

Transfers out

Debt Service Fund

459,421	459,421	459,421	-	312,766
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TOTAL EXPENDITURES AND OTHER

FINANCING USES

\$ 2,181,702	\$ 2,181,702	\$ 2,159,174	\$ 22,528	\$ 1,994,593
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Village of Croton-on-Hudson, New York

Debt Service Fund
Comparative Balance Sheet
May 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 218,318	\$ -
Investments	-	53,516
Due from other funds	1,147	419,515
Total Assets	<u>\$ 219,465</u>	<u>\$ 473,031</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	<u>\$ 3,491</u>	<u>\$ 203,151</u>
Fund balance		
Restricted	140,974	194,880
Assigned	<u>75,000</u>	<u>75,000</u>
Total Fund Balance	<u>215,974</u>	<u>269,880</u>
Total Liabilities and Fund Balance	<u>\$ 219,465</u>	<u>\$ 473,031</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,

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 12,275	\$ 12,275
EXPENDITURES				
Current				
General government support	-	750	750	-
Debt service				
Principal				
Serial bonds	1,812,500	1,822,500	1,822,500	-
Installment purchase debt	133,983	133,983	133,983	-
	1,946,483	1,956,483	1,956,483	-
Interest				
Serial bonds	719,622	708,872	700,053	8,819
Installment purchase debt	118,948	118,948	118,948	-
	838,570	827,820	819,001	8,819
Refunding bonds issuance costs	-	-	-	-
Total Expenditures	2,785,053	2,785,053	2,776,234	8,819
Deficiency of Revenues Over Expenditures	(2,785,053)	(2,785,053)	(2,763,959)	21,094
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	2,785,053	2,785,053	2,785,053	-
Transfers out	(75,000)	(75,000)	(75,000)	-
Total Other Financing Sources	2,710,053	2,710,053	2,710,053	-
Net Change in Fund Balance	(75,000)	(75,000)	(53,906)	21,094
FUND BALANCE				
Beginning of Year	75,000	75,000	269,880	194,880
End of Year	\$ -	\$ -	\$ 215,974	\$ 215,974

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 10,491	\$ 10,491
-	-	-	-
1,536,060	1,536,060	1,536,060	-
126,292	126,292	126,292	-
1,662,352	1,662,352	1,662,352	-
705,250	705,250	701,854	3,396
126,640	126,640	126,639	1
831,890	831,890	828,493	3,397
-	76,313	76,313	-
2,494,242	2,570,555	2,567,158	3,397
(2,494,242)	(2,570,555)	(2,556,667)	13,888
-	3,270,000	3,270,000	-
-	163,283	163,283	-
-	(3,356,970)	(3,356,970)	-
2,494,242	2,494,242	2,490,845	(3,397)
-	-	-	-
2,494,242	2,570,555	2,567,158	(3,397)
-	-	10,491	10,491
-	-	259,389	259,389
\$ -	\$ -	\$ 269,880	\$ 269,880

Village of Croton-on-Hudson, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 11,790,991	\$ 8,515,022
Receivables		
Accounts	4,911	4,930
State and Federal aid	43,614	43,614
Due from other funds	149,176	115,436
	197,701	163,980
Total Assets	\$ 11,988,692	\$ 8,679,002
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 604,447	\$ 125,870
Retainages payable	1,306	-
Bond anticipation notes payable	939,896	895,786
Due to other funds	-	87,052
Advances from other funds	158,365	-
Unearned revenues	362,464	362,464
Total Liabilities	2,066,478	1,471,172
Fund balance		
Restricted	9,922,214	7,207,830
Total Liabilities and Fund Balance	\$ 11,988,692	\$ 8,679,002

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>2014</u>	<u>2013</u>
REVENUES		
State aid	\$ 128,635	\$ 15,332
Federal aid	-	15,443
Miscellaneous	-	16,100
	<u>128,635</u>	<u>46,875</u>
Total Revenues	128,635	46,875
EXPENDITURES		
Capital outlay	<u>3,642,163</u>	<u>1,097,605</u>
Deficiency of Revenues Over Expenditures	<u>(3,513,528)</u>	<u>(1,050,730)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	6,089,500	4,717,500
Transfers in	138,412	182,282
Transfers out	-	(50,000)
	<u>6,227,912</u>	<u>4,849,782</u>
Total Other Financing Sources	6,227,912	4,849,782
Net Change in Fund Balance	2,714,384	3,799,052
FUND BALANCE		
Beginning of Year	<u>7,207,830</u>	<u>3,408,778</u>
End of Year	<u>\$ 9,922,214</u>	<u>\$ 7,207,830</u>

Village of Croton-on-Hudson, New York

Capital Projects Fund

Project-Length Schedule

Inception Of Project Through May 31, 2014

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	25,217	15,781
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	135,858	370,131
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	389,355	123,741
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	79,589	71,411
Benedict Boulevard Sidewalk and Curbs	08160	380,704	319,006	61,698
Ambulance Duty Vehicle	08167	173,981	174,826	(845)
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	912,124	(4,381)
Equipment	09174	348,500	374,977	(26,477)
South Riverside	09175	500,000	94,450	405,550
Install and Test Well	09176	512,700	336,116	176,584
Water Office Sewer Holding Tank	09177	35,700	8,723	26,977
Valve Replacement and Installation	09178	202,000	256,887	(54,887)
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	85,541	627,459
Curb Replacement	09186	51,000	50,508	492
Chief Car Replacement	09189	40,645	40,803	(158)
Harmon Firehouse HVAC System Overhaul	09190	20,000	12,419	7,581
Grand Street Firehouse Siren	09191	10,950	10,035	915
Thermal Imaging Camera	09192	12,550	12,038	512
Police Headquarters Renovation	09193	204,000	1,159	202,841
Municipal Building Window Replacement	09194	174,700	88,415	86,285
Duck Pond Park Improvements	09196	45,900	39,983	5,917
Georgia Lane Stormwater Management	09197	178,500	24,121	154,379
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	211,239	761
Cascade System	10208	136,720	98,315	38,405
Engineering Study-Yacht Club	10209	75,000	72,639	2,361
Planning Studies	10210	120,000	59,888	60,112

Total Revenues	Fund Balance (Deficit) at May 31, 2014	Bond Anticipation Notes Out- standing at May 31, 2014
\$ 5,155,322	\$ (154)	\$ -
450,000	43,256	-
378,662	11,799	-
35,873	370	-
30,748	19,248	-
1,667,988	1,342	-
40,998	15,781	-
102,494	3,426	-
-	(4,895)	-
368,974	91,788	-
305,989	170,131	-
256,000	8,289	-
101,990	100,177	-
25,400	2,085	-
379,322	(10,033)	-
504,895	2,601	-
375,999	278,643	-
15,300	14,927	-
30,600	14,875	-
151,000	71,411	-
380,704	61,698	-
118,381	(56,445)	55,600
25,000	24,124	-
40,000	8,034	-
437,743	(474,381)	470,000
345,100	(29,877)	2,950
94,450	-	-
512,700	176,584	-
35,700	26,977	-
202,000	(54,887)	-
357,000	25,926	-
586,500	405,437	-
25,500	19,196	-
713,000	627,459	-
51,000	492	-
33,045	(7,758)	7,600
16,000	3,581	2,950
8,000	(2,035)	2,950
9,600	(2,438)	2,950
204,000	202,841	-
174,700	86,285	-
45,900	5,917	-
178,500	154,379	-
25,500	25,197	-
25,500	25,197	-
237,156	9,042	-
79,613	12,380	-
50,000	49,603	-
25,000	999	-
199,200	(12,039)	12,800
114,688	16,373	22,032
75,000	2,361	-
120,000	60,112	-

(Continued)

Village of Croton-on-Hudson, New York

Capital Projects Fund

Project-Length Schedule (Continued)

Inception Of Project Through May 31, 2014

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	3,081	349,919
TEP Grant - Bicycle Ped Improvement	10214	1,536,000	342,027	1,193,973
Road, Sidewalks and Curbs	11215	419,747	454,068	(34,321)
Half Moon Bay Bridge Rehabilitation	11216	51,000	20,256	30,744
Equipment- 4x4 Pickup	11217	33,660	32,331	1,329
Equipment - Brush Chipper	11218	26,520	30,792	(4,272)
Equipment - Two Salt Spreaders	11219	19,380	19,154	226
Equipment - Cart Flippers	11220	10,200	8,698	1,502
Equipment - Police Cruiser	11221	24,480	24,778	(298)
Chief Car	11222	43,861	42,542	1,319
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	10,061	139
Replacement of Police Server	11226	30,600	30,840	(240)
Planning Studies - Economic Development	11227	30,600	191	30,409
Water Source and Well Field Improvement	11228	636,300	81,220	555,080
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	6,994	1,676
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	20,323	81,677
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	100,190	101,500
Sidewalks and Curbs	13249	102,000	19,225	82,775
Brook Street	13250	25,500	125	25,375
Sanitation Truck	13251	267,600	900	266,700
Change Body on Tanker 10	13252	51,000	250	50,750
Refurbish Equipment	13253	20,400	9,304	11,096
Energy Efficiency Upgrades	13254	20,400	809	19,591
Washington Engine Fire House Apron/ Wall and Kitchen Repairs	13255	20,086	22,488	(2,402)
Marine 12 Pump Replacement	13256	5,100	226	4,874
Fire FCC Narrowband Radio Compliance Plan	13257	25,500	26,491	(991)
Municipal Garage Improvements	13258	40,800	31,673	9,127
Police FCC Narrowband Radio Compliance Plan	13259	51,000	51,475	(475)

Totals	Fund Balance (Deficit) at May 31, 2014	Bond Anticipation Notes Out- standing at May 31, 2014
\$ 50,000	\$ 49,600	\$ -
100,000	13,647	-
353,000	349,919	-
488,252	146,225	-
419,747	(34,321)	-
51,000	30,744	-
20,196	(12,135)	13,464
15,912	(14,880)	10,608
11,628	(7,526)	7,752
6,120	(2,578)	4,080
14,689	(10,089)	9,790
26,311	(16,231)	17,550
61,200	56,861	-
596,240	8,898	-
6,120	(3,941)	4,080
18,360	(12,480)	12,240
30,600	30,409	-
636,300	555,080	-
61,000	53,799	-
214,200	102,872	-
61,200	3,006	-
34,680	5,551	-
58,140	5,553	-
33,600	880	-
51,000	2,016	-
17,240	3,108	-
26,520	22,012	-
13,260	154	-
9,792	536	-
9,588	9,399	-
25,500	(144)	-
8,670	1,676	-
16,830	1,359	-
30,600	12,250	-
102,000	81,677	-
102,000	94,198	-
16,500	1,071	-
102,000	1,810	-
102,000	82,775	-
25,500	25,375	-
183,600	182,700	-
51,000	50,750	-
4,080	(5,224)	16,320
4,080	3,271	16,320
5,766	(16,722)	16,320
1,020	794	4,080
5,100	(21,391)	20,400
40,800	9,127	-
10,200	(41,275)	40,800

(Continued)

Village of Croton-on-Hudson, New York

Capital Projects Fund

Project-Length Schedule (Continued)

Inception Of Project Through May 31, 2014

PROJECT	Project Number	Appropriation	Expenditures and Transfers to Date	Unexpended Balance
Replacement of 4 Scott Air Pacs Farrington Road/Hunter Place	13260	\$ 15,300	\$ 13,385	\$ 1,915
Water Main Replacement - Water	13261	867,000	4,847	862,153
Water Main Replacement and extension Farrington Road/Hunter Place	13262	4,080,000	104,965	3,975,035
Water Main Replacement - Sewer	13263	357,000	2,552	354,448
911 Remembrance Memorial	13264	20,000	33,750	(13,750)
Street Sweeper	13265	177,000	175,829	1,171
General Road Repairs	14266	230,635	129,250	101,385
Sidewalks and Curbs	14267	102,000	615	101,385
4x4 Pickup (2)	14268	59,160	57,863	1,297
6-Wheel Dump Truck	14269	104,040	63,577	40,463
Front End Loader	14270	158,100	155,876	2,224
Skid Steer Loader	14271	45,900	45,243	657
Chief's Car Replacement	14272	51,000	37,314	13,686
Tactical Support Unit	14273	71,400	5,468	65,932
Personal Protection Equipment Compliance	14274	10,200	8,404	1,796
2 Stryker Lift Systems	14275	47,216	46,484	732
Formation of Additional Parking Spaces	14276	15,300	274	15,026
Tasers (3)	14277	10,200	9,360	840
Patrol Vehicle Computers	14278	15,300	50	15,250
Police Vehicles	14279	67,320	65,771	1,549
Yacht Club Repair	14280	2,800,000	2,415,278	384,722
Upgrade Silver Lake/Black Rock	14281	81,600	475	81,125
Senasqua Boat Basin Repair	14282	51,000	297	50,703
Electronic Messaging Board	14283	18,360	14,005	4,355
Uniform Equipment Upgrades	15299	73,250	1,191	72,059
Totals		<u>\$ 32,579,055</u>	<u>\$ 19,623,432</u>	<u>\$ 12,955,623</u>

Totals	Fund Balance (Deficit) at May 31, 2014	Bond Anticipation Notes Out- standing at May 31, 2014
\$ 15,300	\$ 1,915	\$ -
867,000	862,153	-
4,080,000	3,975,035	-
357,000	354,448	-
20,000	(13,750)	-
177,000	1,171	-
230,635	101,385	-
102,000	101,385	-
59,160	1,297	-
104,040	40,463	-
158,100	2,224	-
45,900	657	-
51,000	13,686	-
71,400	65,932	-
-	(8,404)	10,200
2,336	(44,148)	44,880
15,300	15,026	-
-	(9,360)	10,200
-	(50)	15,300
-	(65,771)	67,320
2,800,000	384,722	-
81,600	81,125	-
51,000	50,703	-
-	(14,005)	18,360
-	(1,191)	-
<u>\$ 29,545,646</u>	<u>\$ 9,922,214</u>	<u>\$ 939,896</u>

Village of Croton-on-Hudson, New York

Non-Major Governmental Funds

Combining Balance Sheet

May 31, 2014

(With Comparative Totals for 2013)

			Total Non-Major Governmental Funds	
	Special Purpose	Sewer	2014	2013
ASSETS				
Cash and equivalents	\$ 85,237	\$ 71,477	\$ 156,714	\$ 48,089
Investments	-	-	-	49,404
Receivables				
Sewer rents	-	61,776	61,776	54,480
Due from other funds	-	50,534	50,534	729
	-	112,310	112,310	55,209
Total Assets	<u>\$ 85,237</u>	<u>\$ 183,787</u>	<u>\$ 269,024</u>	<u>\$ 152,702</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ -	\$ 4,862	\$ 4,862	\$ 9,770
Due to other funds	-	178,925	178,925	57,719
Advances from other funds	-	139,194	139,194	52,431
Total Liabilities	-	322,981	322,981	119,920
Fund balances (deficits)				
Restricted	85,237	-	85,237	85,213
Unassigned	-	(139,194)	(139,194)	(52,431)
Total Fund Balances (Deficits)	<u>85,237</u>	<u>(139,194)</u>	<u>(53,957)</u>	<u>32,782</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 85,237</u>	<u>\$ 183,787</u>	<u>\$ 269,024</u>	<u>\$ 152,702</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, 2014

(With Comparative Totals for 2013)

	Special Purpose	Sewer	Total Non-Major Governmental Funds	
			2014	2013
REVENUES				
Departmental income	\$ -	\$ 143,847	\$ 143,847	\$ 132,804
Use of money and property	24	-	24	10
Total Revenues	24	143,847	143,871	132,814
EXPENDITURES				
Current				
General government support	-	24,159	24,159	23,997
Home and community services	-	97,007	97,007	74,256
Employee benefits	-	6,312	6,312	5,356
Total Expenditures	-	127,478	127,478	103,609
Excess of Revenues Over Expenditures	24	16,369	16,393	29,205
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	50,000
Transfers out	-	(103,132)	(103,132)	(68,103)
Total Other Financing Uses	-	(103,132)	(103,132)	(18,103)
Net Change in Fund Balances	24	(86,763)	(86,739)	11,102
FUND BALANCES (DEFICITS)				
Beginning of Year	85,213	(52,431)	32,782	21,680
End of Year	<u>\$ 85,237</u>	<u>\$ (139,194)</u>	<u>\$ (53,957)</u>	<u>\$ 32,782</u>

Village of Croton-on-Hudson, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	\$ 85,237	\$ 35,809
Investments	<u>-</u>	<u>49,404</u>
 Total Assets	 <u>\$ 85,237</u>	 <u>\$ 85,213</u>
 FUND BALANCE		
Restricted	<u>\$ 85,237</u>	<u>\$ 85,213</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>2014</u>	<u>2013</u>
REVENUES		
Use of money and property	\$ 24	\$ 10
EXPENDITURES	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	24	10
FUND BALANCE		
Beginning of Year	<u>85,213</u>	<u>85,203</u>
End of Year	<u><u>\$ 85,237</u></u>	<u><u>\$ 85,213</u></u>

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Village of Croton-on-Hudson, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	<u>\$ 71,477</u>	<u>\$ 12,280</u>
Receivables		
Sewer rents	61,776	54,480
Due from other funds	<u>50,534</u>	<u>729</u>
	<u>112,310</u>	<u>55,209</u>
Total Assets	<u><u>\$ 183,787</u></u>	<u><u>\$ 67,489</u></u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 4,862	\$ 9,770
Due to other funds	178,925	57,719
Advances from other funds	<u>139,194</u>	<u>52,431</u>
Total Liabilities	322,981	119,920
Fund deficit		
Unassigned	<u>(139,194)</u>	<u>(52,431)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 183,787</u></u>	<u><u>\$ 67,489</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,**

	2014			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 252,551	\$ 252,551	\$ 143,847	\$ (108,704)
EXPENDITURES				
Current				
General government support	25,298	24,730	24,159	571
Home and community services	125,527	125,658	97,007	28,651
Employee benefits	6,354	6,791	6,312	479
Total Expenditures	157,179	157,179	127,478	29,701
Excess of Revenues Over Expenditures	95,372	95,372	16,369	(79,003)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(103,132)	(103,132)	(103,132)	-
Total Other Financing Uses	(103,132)	(103,132)	(103,132)	-
Net Change in Fund Balance	(7,760)	(7,760)	(86,763)	(79,003)
FUND BALANCE (DEFICIT)				
Beginning of Year	7,760	7,760	(52,431)	(60,191)
End of Year	\$ -	\$ -	\$ (139,194)	\$ (139,194)

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>\$ 221,757</u>	<u>\$ 221,757</u>	<u>\$ 132,804</u>	<u>\$ (88,953)</u>
29,558	25,109	23,997	1,112
124,091	124,091	74,256	49,835
<u>5,819</u>	<u>10,401</u>	<u>5,356</u>	<u>5,045</u>
<u>159,468</u>	<u>159,601</u>	<u>103,609</u>	<u>55,992</u>
<u>62,289</u>	<u>62,156</u>	<u>29,195</u>	<u>(32,961)</u>
-	-	50,000	50,000
<u>(68,103)</u>	<u>(68,103)</u>	<u>(68,103)</u>	<u>-</u>
<u>(68,103)</u>	<u>(68,103)</u>	<u>(18,103)</u>	<u>50,000</u>
(5,814)	(5,947)	11,092	17,039
<u>5,814</u>	<u>5,947</u>	<u>(63,523)</u>	<u>(69,470)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (52,431)</u>	<u>\$ (52,431)</u>

Village of Croton-on-Hudson, New York

Sewer Fund

**Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended May 31, 2014
(With Comparative Actuals for 2013)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 2,448	\$ 2,899	\$ 2,899	\$ -	\$ 2,488
Central communications	13,227	16,000	15,432	568	16,874
Unallocated insurance	755	1,844	1,843	1	730
Taxes and assessments on property	3,800	3,918	3,917	1	3,905
Contingent account	5,000	-	-	-	-
	25,230	24,661	24,091	570	23,997
HOME AND COMMUNITY SERVICES					
Sanitary sewers	125,595	125,727	97,075	28,652	74,256
EMPLOYEE BENEFITS					
State retirement	4,200	4,626	4,200	426	3,635
Social security	1,530	1,541	1,540	1	1,154
Workers' compensation benefits	624	624	572	52	567
	6,354	6,791	6,312	479	5,356
TOTAL EXPENDITURES	157,179	157,179	127,478	29,701	103,609
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	103,132	103,132	103,132	-	68,103
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 260,311	\$ 260,311	\$ 230,610	\$ 29,701	\$ 171,712