

# **Village of Croton-on-Hudson, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2017



# Village of Croton-on-Hudson, New York

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## **Independent Auditors' Report**

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Croton-on-Hudson, New York ("Village") as of and for the year ended May 31, 2017, 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.

### ***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, 2017, 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.

## ***Emphasis of Matter***

We draw attention to Note 2F in the notes to financial statements which discloses the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 for the year ended May 31, 2017 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 for the year ended May 31, 2017 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 for the year ended May 31, 2017 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 for the year ended May 31, 2017.

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2016 (not presented herein) and have issued our report thereon dated December 21, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2016 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those 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 the relation to the basic financial statements as a whole for the year ended May 31, 2016.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 16, 2017

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## **Village of Croton-on-Hudson, New York**

### **Management's Discussion and Analysis**

**May 31, 2017**

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#### **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, 2017. 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 2017**

- On the government-wide financial statements, the assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$14,963,152.
- The General Fund completed fiscal year 2017 with a fund balance totaling \$9,456,208 an increase of \$1,481,293. This increase is inclusive of the Cumulative Effect of Change in Accounting Principle, of \$888,851, for the implementation of Government Accounting Standards Board ("GASB") Statement No. 73, *"Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68"*. This statement pertains to the Fire Service Award Program (Note 2F). Of the total General Fund, fund balance, the unassigned fund balance totaled \$6,469,558. In addition, the nonspendable classification included \$7,105 for prepaid expenditures and \$209,758 or advances to other funds. The assigned classification included \$112,382 for encumbrances, \$425,000 for subsequent year's expenditures and \$350,000 for future retirement expenditures. \$894,848 was restricted for employee benefits which represents accumulated vacation and sick leave in accordance with various collective bargaining agreements. In addition, \$987,557 is restricted for pension benefits for the LOSAP.
- The Capital Projects Fund expenditures totaled \$5,924,540 and the fund balance at May 31, 2017 was \$6,258,164.
- The Village issued \$660,068 of new bond anticipation notes and retired \$696,431 of bond anticipation notes outstanding during the current fiscal year. At May 31, 2017, the Village had \$660,068 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 \$17,384,569. Of this amount, the unassigned fund balance was \$6,270,353 or 36.1%.
- During the 2017 fiscal year, the Village issued \$1,331,780 of serial bonds and retired \$2,563,200 of previously outstanding indebtedness. The Village's total outstanding general obligation bonds payable at May 31, 2017 totaled \$35,161,780 exclusive of issuance premiums of \$606,120.

## **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 an 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 one type of fiduciary fund, the Agency Fund. The Pension Trust Fund accounts for the Service Awards Program for volunteer firefighters, was previously recorded as a Fiduciary Fund, see Note 2F. 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 statement for the Fiduciary Fund 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 Service Awards Program, other post employment benefit obligations, the New York State Local Employees and Local Police and Fire Retirement Systems, 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 the assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$14,963,152 for fiscal year 2017.

The following table reflects the condensed Statement of Net Position:

### Statement of Net Position

	May 31,	
	2017	2016
Current Assets	\$ 20,219,930	\$ 23,444,526
Capital Assets, net	47,469,281	43,166,293
Total Assets	67,689,211	66,610,819
Deferred Outflows of Resources*	2,802,664	5,662,100
Current Liabilities	3,073,469	3,669,174
Long-Term Liabilities	51,766,506	54,001,556
Total Liabilities	54,839,975	57,670,730
Deferred Inflows of Resources*	688,748	817,842
Net Position		
Net investment in capital assets	16,697,826	14,544,012
Restricted	2,321,374	1,969,012
Unrestricted	(4,056,048)	(2,728,677)
Total Net Position	\$ 14,963,152	\$ 13,784,347

***\*Detailed information pertaining to the Village's Deferred Outflows/Inflows of Resources is presented in Notes 1 and 3 of the financial statements. The amounts are as follows:***

	2017 Deferred Amounts on Pensions	
<u>Retirement System</u>	<u>Outflows</u>	<u>Inflows</u>
Employee ("ERS")	\$ 1,229,280	\$ 398,648
Police and Fire ("PFRS")	1,417,096	290,100
	<u>\$ 2,646,376</u>	<u>\$ 688,748</u>

One component of the Village's net position is net investment in capital assets of \$16,697,826 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.

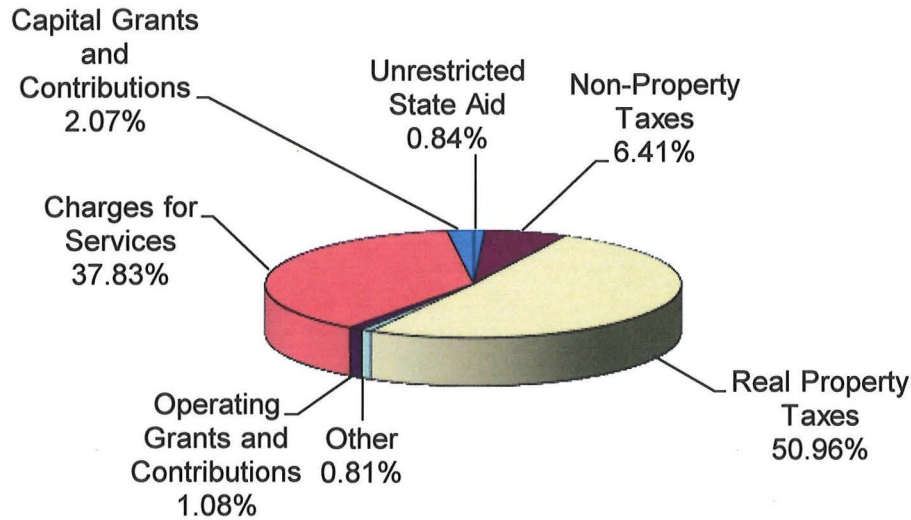
The restricted net position of \$2,321,374 represents resources that are subject to external restrictions on their use. The restrictions are:

	May 31,	
	2017	2016
Capital Projects	\$ -	\$ 444,498
Future Capital Projects	78,440	78,244
Pension Benefits	987,557	-
Debt Service	422,386	366,536
Special Purpose	832,991	1,079,734
Restricted Net Assets	<u>\$ 2,321,374</u>	<u>\$ 1,969,012</u>

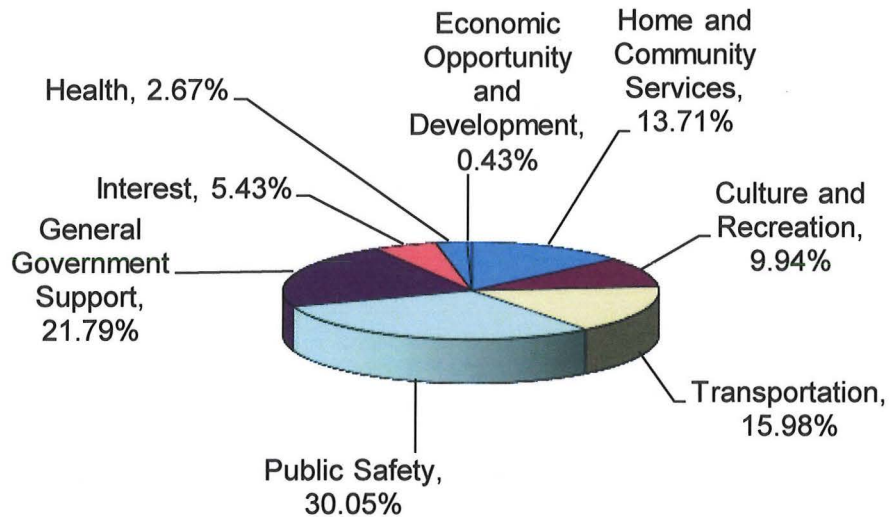
## Changes in Net Position

	Year Ended May 31,	
	2017	2016
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 8,410,633	\$ 7,774,151
Operating Grants and Contributions	240,075	1,244,540
Capital Grants and Contributions	460,429	21,114
	<u>9,111,137</u>	<u>9,039,805</u>
General Revenues		
Real Property Taxes	11,329,900	11,237,997
Other Tax Items	33,613	44,031
Non-Property Taxes	1,425,545	1,386,226
Unrestricted Use of Money and Property	24,992	19,972
Sale of Property and Compensation for Loss	78,994	64,323
Unrestricted State Aid	187,484	167,995
Miscellaneous	5,222	3,672
Insurance recoveries	37,433	32,320
	<u>13,123,183</u>	<u>12,956,536</u>
Total Revenues	<u>22,234,320</u>	<u>21,996,341</u>
<b>PROGRAM EXPENSES</b>		
General Government Support	4,781,222	5,006,327
Public Safety	6,594,319	6,472,869
Health	585,273	546,974
Transportation	3,505,910	3,888,592
Economic Opportunity and Development	96,973	92,593
Culture and Recreation	2,180,583	1,783,011
Home and Community Services	3,007,604	3,374,105
Interest	1,192,482	1,121,223
	<u>21,944,366</u>	<u>22,285,694</u>
Change in Net Position	<u>289,954</u>	<u>(289,353)</u>
<b>NET POSITION</b>		
Beginning, as reported	13,784,347	14,390,037
Cumulative Effect of Change in Accounting Principle*	<u>888,851</u>	<u>(316,337)</u>
Beginning, as restated	<u>14,673,198</u>	<u>14,073,700</u>
Ending	<u><u>\$ 14,963,152</u></u>	<u><u>\$ 13,784,347</u></u>

### Sources of Revenue for Fiscal Year 2017 Governmental Activities



### Sources of Expenses for Fiscal Year 2017 Governmental Activities



**Governmental Activities:** Governmental activities increased the Village's net position by \$289,954, exclusive of the cumulative effect of change in accounting principle of \$888,851 relating to the implementation of GASB Statement No. 73.

For the fiscal year ended May 31, 2017, revenues from governmental activities totaled \$22,234,320. Tax revenues of \$12,789,058, consisting of real property taxes, other tax items and non-property taxes, represented the largest revenue source at 58%.

## 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, 2017 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 3I 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 Advances	\$ 7,105 209,758
		<u>216,863</u>
Restricted Fund Balance	Reserved for Employee Benefits Reserved for Future Capital Projects Reserved for Pension Benefits Reserved for Debt Service Reserved for Capital Projects Reserved for Parklands Reserved for Trusts	910,063 78,440 987,557 372,386 6,258,164 832,863 128
		<u>9,439,601</u>
Assigned Fund Balance	Reserved for Encumbrances: General Government Support Public Safety Health Transportation Culture and Recreation Home and Community Services Employee Benefits Designated for Subsequent Year's Expenditures: Unassigned Fund Balance Designated for Future Retirement Expenditures Water	32,707 20,497 10,973 7,697 4,642 73,328 501 475,000 380,300 452,107
		<u>1,457,752</u>
Unassigned Fund Balance	Unreserved and Undesignated: General Fund Sewer	6,469,558 (199,205)
		<u>6,270,353</u>
Total Fund Balances (as of May 31, 2017)		<u>\$ 17,384,569</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 \$17,384,569 a decrease of 2,630,434 from the prior year. The decrease is due to the reduction in the capital projects fund of \$4,029,792 reflecting the completion of infrastructure projects in the Village. The other funds increased by \$1,399,358.

## General Fund Budgetary Highlights

When the fiscal 2016-2017 budget was adopted, it anticipated the use of \$500,000 of fund balance. However, actual results of operations resulted in an increase of \$493,736 to the overall general fund balance. Unassigned fund balance increased by \$637,292. Overall, General Fund expenditures and other financing uses were \$18,547,921 which was \$542,082 less than the final budget. Revenues and other financing sources totaled \$19,041,657 which was \$548,322 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, 2017, amounted to \$47,469,281 (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,	
	2017	2016
Land	\$ 4,773,011	\$ 4,773,011
Buildings and improvements	6,494,484	6,518,136
Machinery and equipment	3,594,739	3,120,313
Infrastructure	12,136,759	10,013,110
Construction-in-Progress	20,470,288	18,741,723
Total	<u>\$ 47,469,281</u>	<u>\$ 43,166,293</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 \$36,590,340 comprised of general obligation bonded debt of \$35,161,780 and installment purchase debt of \$1,428,560. The Village issued \$1,331,780 of serial bonds and retired \$2,563,200 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 Janine King, Village Manager, Village of Croton-on-Hudson, One Van Wyck Street, Croton-on-Hudson, New York 10520.

**Village of Croton-on-Hudson, New York**

## Statement of Net Position

May 31, 2017

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 17,624,383
Investments	970,875
Receivables	
Taxes, net	43,679
Accounts	119,003
Water rents	1,016,180
Sewer rents	109,460
State and Federal aid	91,442
Due from other governments	237,803
Prepaid expenses	7,105
Capital assets	
Not being depreciated	25,243,299
Being depreciated, net	<u>22,225,982</u>
Total Assets	<u>67,689,211</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>2,802,664</u>
<b>LIABILITIES</b>	
Accounts payable	1,051,275
Accrued liabilities	426,884
Bond anticipation notes payable	660,068
Due to other governments	14,157
Unearned revenues	649,415
Accrued interest payable	271,670
Non-current liabilities	
Due within one year	2,598,505
Due in more than one year	<u>49,168,001</u>
Total Liabilities	<u>54,839,975</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>688,748</u>
<b>NET POSITION</b>	
Net investment in capital assets	16,697,826
Restricted	
Future capital projects	78,440
Pension benefits	987,557
Debt service	422,386
Special purpose	832,991
Unrestricted	<u>(4,056,048)</u>
Total Net Position	<u><u>\$ 14,963,152</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

Statement of Activities  
Year Ended May 31, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 4,781,222	\$ 389,292	\$ 12,952	\$ -	\$ (4,378,978)
Public safety	6,594,319	595,762	48,509	-	(5,950,048)
Health	585,273	335,292	123,566	-	(126,415)
Transportation	3,505,910	3,551,380	24,145	399,303	468,918
Economic opportunity and development	96,973	-	-	-	(96,973)
Culture and recreation	2,180,583	277,376	15,867	-	(1,887,340)
Home and community services	3,007,604	3,261,531	15,036	-	268,963
Interest	1,192,482	-	-	61,126	(1,131,356)
Total Governmental Activities	<u>\$ 21,944,366</u>	<u>\$ 8,410,633</u>	<u>\$ 240,075</u>	<u>\$ 460,429</u>	<u>(12,833,229)</u>
General revenues					
Real property taxes					11,329,900
Other tax items					
Interest and penalties on real property taxes					33,613
Non-property taxes					
Non-property tax distribution from County					1,155,056
Franchise fees					158,322
Utilities gross receipts taxes					112,167
Unrestricted use of money and property					24,992
Sale of property and compensation for loss					78,994
Unrestricted State aid					187,484
Miscellaneous					5,222
Insurance recoveries					37,433
Total General Revenues					<u>13,123,183</u>
Change in Net Position					<u>289,954</u>
<b>NET POSITION</b>					13,784,347
Beginning, as reported					
Cumulative Effect of Change in Accounting Principle					<u>888,851</u>
Beginning, as restated					<u>14,673,198</u>
Ending					<u>\$ 14,963,152</u>

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

**Village of Croton-on-Hudson, New York**

Balance Sheet  
Governmental Funds  
May 31, 2017

	General	Water	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 4,730,202	\$ 482,097	\$ 76,784
Investments	970,875	-	-
Taxes receivable, net of allowance for uncollectible amounts	43,679	-	-
Other receivables			
Accounts	114,092	-	-
Water rents	-	1,016,180	-
Sewer rents	-	-	-
State and Federal aid	62,828	-	-
Due from other governments	237,803	-	-
Due from other funds	5,010,944	209,451	345,602
Advances to other funds	209,758	-	-
Prepaid expenditures	7,105	-	-
<b>Total Assets</b>	<b>\$ 11,387,286</b>	<b>\$ 1,707,728</b>	<b>\$ 422,386</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 726,251	\$ 40,781	\$ -
Accrued liabilities	404,316	22,568	-
Bond anticipation notes payable	-	-	-
Due to other funds	192,797	1,030,354	-
Due to other governments	14,157	-	-
Unearned revenues	559,995	-	-
Advances from other funds	-	-	-
<b>Total Liabilities</b>	<b>1,897,516</b>	<b>1,093,703</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Deferred tax revenues	33,562	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,931,078</b>	<b>1,093,703</b>	<b>-</b>
<b>Fund balances (deficits)</b>			
Nonspendable	216,863	-	-
Restricted	1,882,405	93,655	372,386
Assigned	887,382	520,370	50,000
Unassigned	6,469,558	-	-
<b>Total Fund Balances</b>	<b>9,456,208</b>	<b>614,025</b>	<b>422,386</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 11,387,286</b>	<b>\$ 1,707,728</b>	<b>\$ 422,386</b>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 11,394,873	\$ 940,427	\$ 17,624,383
-	-	970,875
-	-	43,679
4,911	-	119,003
-	-	1,016,180
-	109,460	109,460
28,614	-	91,442
-	-	237,803
5,110	98,716	5,669,823
-	-	209,758
-	-	7,105
<u>\$ 11,433,508</u>	<u>\$ 1,148,603</u>	<u>\$ 26,099,511</u>
\$ 279,090	\$ 5,153	\$ 1,051,275
-	-	426,884
660,068	-	660,068
4,136,213	310,459	5,669,823
-	-	14,157
89,420	-	649,415
10,553	199,205	209,758
5,175,344	514,817	8,681,380
-	-	33,562
<u>5,175,344</u>	<u>514,817</u>	<u>8,714,942</u>
-	-	216,863
6,258,164	832,991	9,439,601
-	-	1,457,752
-	(199,205)	6,270,353
<u>6,258,164</u>	<u>633,786</u>	<u>17,384,569</u>
<u>\$ 11,433,508</u>	<u>\$ 1,148,603</u>	<u>\$ 26,099,511</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, 2017

Fund Balances - Total Governmental Funds	<u>\$ 17,384,569</u>
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>47,469,281</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	<u>33,562</u>
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension liabilities whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	1,957,628
Deferred amounts on refunding bonds	<u>156,288</u>
	<u>2,113,916</u>
Long-term and other liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(271,670)
Bonds payable	(35,767,900)
Installment purchase debt payable	(1,428,560)
Compensated absences	(2,221,440)
Net pension liability	(3,499,552)
Other post employment benefit obligations payable	<u>(8,849,054)</u>
	<u>(52,038,176)</u>
Net Position of Governmental Activities	<u><u>\$ 14,963,152</u></u>

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

**Village of Croton-on-Hudson, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended May 31, 2017

	General	Water	Debt Service
<b>REVENUES</b>			
Real property taxes	\$ 11,314,120	\$ -	\$ -
Other tax items	33,613	-	-
Non-property taxes	1,425,545	-	-
Departmental income	4,540,844	2,880,697	-
Net change in fair value of investments	23,483	-	-
Use of money and property	194,429	1,469	61,126
Licenses and permits	239,352	-	-
Fines and forfeitures	299,150	-	-
Sale of property and compensation for loss	78,994	13,567	-
Interfund revenues	495,415	-	-
State aid	225,113	-	-
Federal aid	125,226	-	-
Miscellaneous	5,789	-	-
Total Revenues	19,001,073	2,895,733	61,126
<b>EXPENDITURES</b>			
Current			
General government support	3,098,923	230,170	-
Public safety	3,708,443	-	-
Health	527,842	-	-
Transportation	1,697,634	-	-
Economic opportunity and development	63,749	-	-
Culture and recreation	1,246,498	-	-
Home and community services	1,026,104	1,262,883	-
Employee benefits	4,146,230	294,814	-
Debt service			
Principal	-	-	2,723,182
Interest	8,198	-	1,216,262
Capital outlay	-	-	-
Total Expenditures	15,523,621	1,787,867	3,939,444
Excess (Deficiency) of Revenues Over Expenditures	3,477,452	1,107,866	(3,878,318)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	-	-	-
Insurance recoveries	37,433	-	-
Transfers in	50,000	-	3,984,168
Transfers out	(2,972,443)	(1,066,735)	(50,000)
Total Other Financing Sources (Uses)	(2,885,010)	(1,066,735)	3,934,168
Net Change in Fund Balances	592,442	41,131	55,850
<b>FUND BALANCES</b>			
Beginning of Year, as reported	7,974,915	572,894	366,536
Cumulative Effect of Change in Accounting Principle	888,851	-	-
Beginning of Year, as restated	8,863,766	572,894	366,536
End of Year	\$ 9,456,208	\$ 614,025	\$ 422,386

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 11,314,120
-	-	33,613
-	-	1,425,545
-	305,859	7,727,400
-	-	23,483
-	4,428	261,452
-	-	239,352
-	-	299,150
-	-	92,561
-	-	495,415
399,303	-	624,416
-	-	125,226
-	9,000	14,789
399,303	319,287	22,676,522
-	18,925	3,348,018
-	-	3,708,443
-	-	527,842
-	-	1,697,634
-	-	63,749
-	260,171	1,506,669
-	102,848	2,391,835
-	7,604	4,448,648
-	-	2,723,182
-	-	1,224,460
5,924,540	-	5,924,540
5,924,540	389,548	27,565,020
(5,525,237)	(70,261)	(4,888,498)
1,331,780	-	1,331,780
-	-	37,433
208,386	-	4,242,554
(44,721)	(108,655)	(4,242,554)
1,495,445	(108,655)	1,369,213
(4,029,792)	(178,916)	(3,519,285)
10,287,956	812,702	20,015,003
-	-	888,851
10,287,956	812,702	20,903,854
\$ 6,258,164	\$ 633,786	\$ 17,384,569

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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, 2017

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

Net Change in Fund Balances - Total Governmental Funds	\$ (3,519,285)
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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 amount may be less than total capital outlay since capital outlay includes amounts that are under the capitalization threshold.

Capital outlay expenditures	5,801,998
Depreciation expense	(1,499,010)
	<u>4,302,988</u>

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

Real property taxes	<u>15,780</u>
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Issuance of long-term 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 premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Bonds issued	(1,331,780)
Principal paid on serial bonds	2,563,200
Principal paid on installment purchase debt	159,982
Amortization of loss on refunding and issuance premium	46,215
	<u>1,437,617</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	(14,237)
Compensated absences	(234,691)
Pension obligations	(625,579)
Other post employment benefit obligations	(1,072,639)
	<u>(1,947,146)</u>

Change in Net Position of Governmental Activities	<u>\$ 289,954</u>
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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, 2017

	General			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 11,324,363	\$ 11,324,363	\$ 11,314,120	\$ (10,243)
Other tax items	50,001	50,001	33,613	(16,388)
Non-property taxes	1,393,000	1,393,000	1,425,545	32,545
Departmental income	4,297,932	4,299,192	4,540,844	241,652
Net change in fair value of investments	-	-	23,483	23,483
Use of money and property	132,500	134,200	194,429	60,229
Licenses and permits	147,250	138,036	239,352	101,316
Fines and forfeitures	245,000	245,000	299,150	54,150
Sale of property and compensation for loss	8,500	24,500	78,994	54,494
Interfund revenues	495,415	495,415	495,415	-
State aid	182,347	185,347	225,113	39,766
Federal aid	-	123,566	125,226	1,660
Miscellaneous	-	-	5,789	5,789
Total Revenues	18,276,308	18,412,620	19,001,073	588,453
<b>EXPENDITURES</b>				
Current				
General government support	3,410,207	3,177,667	3,098,923	78,744
Public safety	3,688,529	3,755,936	3,708,443	47,493
Health	394,286	514,101	527,842	(13,741)
Transportation	2,415,538	1,739,201	1,697,634	41,567
Economic opportunity and development	69,345	75,705	63,749	11,956
Culture and recreation	1,184,476	1,307,751	1,246,498	61,253
Home and community services	482,242	1,133,776	1,026,104	107,672
Employee benefits	4,334,520	4,404,478	4,146,230	258,248
Debt service				
Interest	6,498	8,198	8,198	-
Total Expenditures	15,985,641	16,116,813	15,523,621	593,192
Excess of Revenues Over Expenditures	2,290,667	2,295,807	3,477,452	1,181,645
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	-	30,715	37,433	6,718
Transfers in	50,000	50,000	50,000	-
Transfers out	(2,958,702)	(2,973,190)	(2,972,443)	747
Total Other Financing Uses	(2,908,702)	(2,892,475)	(2,885,010)	7,465
Net Change in Fund Balances	(618,035)	(596,668)	592,442	1,189,110
<b>FUND BALANCES</b>				
Beginning of Year, as reported	618,035	596,668	7,974,915	7,378,247
Cumulative Effect of Change in Accounting Principle	-	-	888,851	888,851
Beginning of Year, as restated	618,035	596,668	8,863,766	7,378,247
End of Year	\$ -	\$ -	\$ 9,456,208	\$ 8,567,357

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)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
2,889,864	2,889,864	2,880,697	(9,167)
-	-	1,469	1,469
-	-	-	-
-	-	-	-
-	13,567	13,567	-
-	-	-	-
-	-	-	-
-	-	-	-
2,889,864	2,903,431	2,895,733	(7,698)
312,616	236,768	230,170	6,598
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,255,947	1,313,989	1,262,883	51,106
278,160	304,863	294,814	10,049
-	-	-	-
1,846,723	1,855,620	1,787,867	67,753
1,043,141	1,047,811	1,107,866	60,055
-	-	-	-
-	-	-	-
(1,062,065)	(1,066,735)	(1,066,735)	-
(1,062,065)	(1,066,735)	(1,066,735)	-
(18,924)	(18,924)	41,131	60,055
18,924	18,924	572,894	-
-	-	-	-
18,924	18,924	572,894	553,970
\$ -	\$ -	\$ 614,025	\$ 614,025

Village of Croton-on-Hudson, New York

Statement of Net Position

Fiduciary Funds

May 31, 2017

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 111,552
Accounts receivable	<u>500,345</u>
 Total Assets	 <u><u>\$ 611,897</u></u>
 <b>LIABILITIES</b>	
Accounts payable	335,658
Employee payroll deductions	8,312
Deposits	<u>267,927</u>
 Total Liabilities	 <u><u>\$ 611,897</u></u>

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



**Village of Croton-on-Hudson, New York**

**Statement of Changes in Plan Net Position  
Pension Trust Fund - Fire Service Awards Program  
Year Ended May 31, 2017**

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<b>ADDITIONS</b>	\$ -
<b>DEDUCTIONS</b>	-
Change in Net Position	-
<b>NET POSITION</b>	
Beginning of Year, as reported	888,851
Cumulative Effect of Change in Accounting Principle	(888,851)
Beginning of Year, as restated	-
End of Year	\$ -

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

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**Note 1 - Summary of Significant Accounting Policies**

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

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

**A. Financial Reporting Entity**

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

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

**B. Government-Wide Financial Statements**

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

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

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are 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. 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 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 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. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. 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, net pension liability 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.

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.

**Investments** - The Village's 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. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the Village's policy provides for no credit risk on investments.

The Village follows the provisions of GASB Statement No. 72, "Fair Value Measurements and Application", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Village does not invest in any long-term investment obligations.

**Custodial Credit Risk** - 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, 2017.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a ` York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Village's investment policy limits the amount on deposit at each of its banking institutions

**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, 2017, 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 inventorable items at various locations are recorded as expenses/expenditures at the time of purchase and year-end balances at these locations are not material.

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

**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 acquisition value at the date of donation.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

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

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

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

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

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

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$559,995 for parking permit fees received in advance in the General Fund and \$89,420 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.



**Note 1 - Summary of Significant Accounting Policies (Continued)**

The Village reported deferred outflows of resources of \$156,288 for a deferred loss on 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 \$33,562 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.

The Village also reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations. These amounts are detailed in the discussion of the Town's pension plans in Note 3F.

**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-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, future capital projects, pension benefits, 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).

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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.

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 generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 16, 2017.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

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

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

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

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

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

**B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2016-2017 was \$22,591,319 which exceeded the actual levy (inclusive of exclusions) by \$11,277,460.

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. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

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

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

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

**C. Expenditures in Excess of Budget**

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

Croton Landing Field Improvements	\$	2,158
Cascade System		216
Washington Engine Fire House Apron/Wall and Kitchen Repairs		658
Fire FCC Narrowband Radio Compliance Plan		1,312
Police FCC Narrowband Radio Compliance Plan		1,170
Personal Protection Equipment Compliance		41
2 Stryker Lift Systems		307
Patrol Vehicle Computers		361
Police Vehicles		7
Harmon Fire Upgrades		119
Uniform Equipment Upgrades		274
Police Vehicles		909
Replace Damaged Pole- Municipal Building		307
4X4 Pickup (2)		183
Rescue 18 Replacement		2,441
Police Vehicle 4WD		11
Commercial Lawn Tractor		79
DPW Vehicles 2016/17		173

**D. Fund Deficits**

The Sewer Fund has an unassigned deficit of \$199,205 at May 31, 2017. The Village plans to address this deficit in the subsequent year.

**E. 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.

**F. Cumulative Effect of Change in Accounting Principle**

The Village, for the year ended May 31, 2017, implemented the requirements of GASB statement No. 73, *Accounting and Financial Reporting for pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* that address financial reporting for assets accumulated for purposes of providing the Length of Service Awards Program ("LOSAP") pensions. As a result of adopting this standard, a cumulative effect for the change in accounting principle of (\$888,851) was recorded in the Pension Trust Fund, General Fund, and the government-wide financial statements.

**Village of Croton-on-Hudson, New York**

Notes to Financial Statements (Continued)  
 May 31, 2017

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

Taxes receivable at May 31, 2017 consisted of the following:

Current year	\$ 53,706
Prior years	<u>124,220</u>
	177,926
Less - Allowance for uncollectible amounts	<u>(134,247)</u>
	<u>\$ 43,679</u>

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

The balances reflected as due from/to other funds at May 31, 2017 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>	<u>Advances From/To</u>
General	\$ 5,010,944	\$ 192,797	\$ 209,758
Water	209,451	1,030,354	-
Debt Service	345,602	-	-
Capital Projects	5,110	4,136,213	(10,553)
Non-Major Governmental	98,716	310,459	(199,205)
	<u>\$ 5,669,823</u>	<u>\$ 5,669,823</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:

	<u>Balance June 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2017</u>
Capital Assets, not being depreciated				
Land	\$ 4,773,011	\$ -	\$ -	\$ 4,773,011
Construction-in-progress	18,741,723	2,607,733	879,168	20,470,288
Total Capital Assets, not being depreciated	<u>\$ 23,514,734</u>	<u>\$ 2,607,733</u>	<u>\$ 879,168</u>	<u>\$ 25,243,299</u>

**Village of Croton-on-Hudson, New York**

## Notes to Financial Statements (Continued)

May 31, 2017

**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance June 1, 2016	Additions	Deletions	Balance May 31, 2017
Capital Assets, being depreciated				
Buildings and improvements	\$ 11,693,453	\$ 371,380	\$ -	\$ 12,064,833
Machinery and equipment	8,896,013	1,127,137	-	10,023,150
Infrastructure	34,359,216	2,574,916	-	36,934,132
Total Capital Assets, being depreciated	54,948,682	4,073,433	-	59,022,115
Less Accumulated Depreciation for				
Buildings and improvements	5,175,317	395,032	-	5,570,349
Machinery and equipment	5,775,700	652,711	-	6,428,411
Infrastructure	24,346,106	451,267	-	24,797,373
Total Accumulated Depreciation	35,297,123	1,499,010	-	36,796,133
Total Capital Assets, being depreciated, net	\$ 19,651,559	\$ 2,574,423	\$ -	\$ 22,225,982
Capital Assets, net	\$ 43,166,293	\$ 5,182,156	\$ 879,168	\$ 47,469,281

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

General Government Support	\$ 126,908
Public Safety	239,875
Health	32,771
Transportation	836,673
Economic Opportunity and Development	1,060
Culture and Recreation	78,119
Home and Community Services	183,604
	<u>\$ 1,499,010</u>

**D. Accrued Liabilities**

Accrued liabilities at May 31, 2017 were as follows:

	General Fund	Water Fund	Total
Payroll and employee benefits	<u>\$ 404,316</u>	<u>\$ 22,568</u>	<u>\$ 426,884</u>

# Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)  
May 31, 2017

## Note 3 - Detailed Notes on All Funds (Continued)

### E. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance June 1, 2016	New Issues	Redemptions	Balance May 31, 2017
Various	01/07/2016	-	- %	\$ 696,431	\$ -	\$ 696,431	\$ -
Various	12/16/2016	12/15/2017	2.00	-	660,068	-	660,068
Total				<u>\$ 696,431</u>	<u>\$ 660,068</u>	<u>\$ 696,431</u>	<u>\$ 660,068</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 \$8,198 were recorded in the fund financial statements in the General Fund and in the government-wide financial statements for governmental activities.

### F. Long-Term Liabilities

The changes in the Village's long-term indebtedness during the year ended May 31, 2017 are summarized as follows:

	Balance June 1, 2016	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2017	Due Within One Year
Bonds Payable	\$ 36,393,200	\$ 1,331,780	\$ 2,563,200	\$ 35,161,780	\$ 2,206,780
Plus					
Unamortized premium on bonds	667,532	-	61,412	606,120	-
	37,060,732	1,331,780	2,624,612	35,767,900	2,206,780
Other Non-Current Liabilities:					
Installment Purchase					
Debt Payable	1,588,542	-	159,982	1,428,560	169,725
Net Pension Liability	5,589,118	-	2,089,566	3,499,552	-
Compensated Absences	1,986,749	433,691	199,000	2,221,440	222,000
Other Post Employment Benefit Obligations Payable	7,776,415	1,909,472	836,833	8,849,054	-
Total Long-Term Liabilities	<u>\$ 54,001,556</u>	<u>\$ 3,674,943</u>	<u>\$ 5,909,993</u>	<u>\$ 51,766,506</u>	<u>\$ 2,598,505</u>

Each governmental fund's liability for net pension liability, 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.



**Village of Croton-on-Hudson, New York**

Notes to Financial Statements (Continued)  
 May 31, 2017

**Note 3 - Detailed Notes on All Funds (Continued)****Bonds Payable**

Bonds payable at May 31, 2017 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2017
Various Purposes	2008	1,058,548	April, 2022	3.75-4.200	\$ 445,000
Various Purposes	2009	4,972,500	May, 2028	3.00-4.375	3,295,000
Refunding Bond	2011	3,080,000	May, 2019	2.00-3.000	545,000
Various Purposes	2011	3,801,500	March, 2030	2.25-4.000	2,810,000
Various Purposes	2012	1,686,060	April, 2028	2.00-4.000	1,215,000
Refunding Bond	2013	3,270,000	November, 2024	1.00-3.00	1,520,000
Various Purposes	2013	4,717,500	May, 2033	1.00-3.00	3,910,000
Various Purposes	2014	6,089,500	April, 2044	3.00-4.00	5,690,000
Various Purposes	2015	4,360,531	January, 2040	9.00-2.500	4,125,000
Refunding Bond	2016	2,035,000	July, 2026	2.00-5.000	2,025,000
Various Purposes	2016	8,578,200	April, 2036	2.00-3.000	8,250,000
Various Purposes	2017	1,331,780	February, 2032	2.00-3.000	1,331,780
					<u>\$ 35,161,780</u>

Interest expenditures of \$1,123,314 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$1,094,936 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, 2017 was \$1,428,560.

Interest expenditures of \$92,948 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$89,348 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, 2017

**Note 3 - Detailed Notes on All Funds (Continued)****Payments to Maturity**

The annual requirements to amortize all bonded and installment purchase debt outstanding as of May 31, 2017, including interest payments of \$11,786,376 are as follows:

Year Ending May 31,	Bonds		Installment Purchase Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	2,206,780	1,114,822	169,725	83,205	2,376,505	1,198,027
2019	2,130,000	1,049,210	180,062	72,869	2,310,062	1,122,079
2020	1,905,000	987,523	191,027	61,903	2,096,027	1,049,426
2021	1,970,000	925,585	202,661	50,270	2,172,661	975,855
2022	2,020,000	862,809	215,003	37,928	2,235,003	900,737
2023-2027	10,230,000	3,355,777	470,082	35,777	10,700,082	3,391,554
2028-2032	7,310,000	1,871,038	-	-	7,310,000	1,871,038
2033-2037	4,615,000	898,538	-	-	4,615,000	898,538
2038-2042	2,125,000	339,922	-	-	2,125,000	339,922
2043-2044	650,000	39,200	-	-	650,000	39,200
	<u>\$ 35,161,780</u>	<u>\$ 11,444,424</u>	<u>\$ 1,428,560</u>	<u>\$ 341,952</u>	<u>\$ 36,590,340</u>	<u>\$ 11,786,376</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 fiscal 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 District's financial statements. At May 31, 2017, \$855,000 of bonds outstanding are considered defeased.

**Pension Plans***New York State and Local Retirement System*

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") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan, which provides

**Note 3 - Detailed Notes on All Funds (Continued)**

death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2017 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14/41J	16.0%
	4 A15/41J	16.0
	5 A15/41J	13.1
	6 A15/41J	9.3
PFRS	1 384D/3029D	25.5%
	2 384D	24.1
	5 384D	19.5
	6 384D	14.5

At May 31, 2017, the Village reported a liability of \$1,928,144 for its proportionate share of the net pension liabilities of ERS and a liability of \$1,571,408 for its proportionate share of the net pension liability of PFRS. The net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2017, the Village's proportion was 0.0205204% for ERS and 0.0758163% for PFRS, which was an increase of 0.0004329% for ERS and a decrease of 0.0040617% for PFRS from its proportion measured as of March 31, 2016.

For the year ended May 31, 2017, the Village recognized pension expense in the government-wide financial statements of \$1,071,919 for ERS and \$944,478 for PFRS. Pension expenditures of \$736,275 for ERS and \$660,829 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 660,688	\$ 660,829
Water Fund	70,689	-
Sewer Fund	4,898	-
	<u>\$ 736,275</u>	<u>\$ 660,829</u>

# Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)  
May 31, 2017

## Note 3 - Detailed Notes on All Funds (Continued)

At May 31, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 48,317	\$ 292,800	\$ 206,142	\$ 271,504
Changes of assumptions	658,725	-	774,167	-
Net difference between projected and actual earnings on pension plan investments	385,128	-	234,687	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	14,094	-	86,421	-
Village contributions subsequent to the measurement date	123,016	105,848	115,679	18,596
	<u>\$ 1,229,280</u>	<u>\$ 398,648</u>	<u>\$ 1,417,096</u>	<u>\$ 290,100</u>

The amounts reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2018	\$ 332,393	\$ 331,757
2019	332,393	331,757
2020	311,774	314,241
2021	(268,944)	(8,396)
2022	-	41,958

The total pension liability for the March 31, 2017 measurement date was determined by using an actuarial valuation as of April 1, 2016, with update procedures used to roll forward the total pension liabilities to March 31, 2017. The total pension liabilities for the March 31, 2016 measurement date were determined by using an actuarial valuation as of April 1, 2016. Significant actuarial assumptions used in the April 1, 2016 valuation were as follows:

Actuarial cost method	Entry age normal
Inflation	2.5%
Salary scale	3.8% in ERS, 4.5% in PFRS indexed by service
Investment rate of return	7.0% compounded annually, net of investment expenses, including inflation
Cost of living adjustments	1.3% annually

Annuitant mortality rates are based on the April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

**Note 3 - Detailed Notes on All Funds (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.75
Real Estate	10	5.80
Absolute Return Strategies	2	4.00
Opportunistic Portfolio	3	5.89
Real Assets	3	5.54
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 6,158,109</u>	<u>\$ 1,928,144</u>	<u>\$ (1,648,284)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 4,454,850</u>	<u>\$ 1,571,408</u>	<u>\$ (847,094)</u>

## Village of Croton-on-Hudson, New York

Notes to Financial Statements (Continued)  
May 31, 2017

### **Note 3 - Detailed Notes on All Funds (Continued)**

The components of the collective net pension liability as of the March 31, 2017 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 177,400,586,000	\$ 31,670,483,000	\$ 209,071,069,000
Fiduciary net position	168,004,363,000	29,597,831,000	197,602,194,000
Employers' net pension liability	<u>\$ 9,396,223,000</u>	<u>\$ 2,072,652,000</u>	<u>\$ 11,468,875,000</u>
Fiduciary net position as a percentage of total pension liability	<u>94.7%</u>	<u>93.5%</u>	<u>94.5%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of May 31, 2017 represent the employer contribution for the period of April 1, 2017 through May 31, 2017 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS and PFRS within the General Fund as of May 31, 2017 were \$112,533 and \$115,679 respectively. In addition, accrued retirement contributions to ERS as of May 31, 2017 within the Water Fund and Sewer Fund were \$9,729 and \$754 respectively.

#### *Voluntary Defined Contribution Plan*

The Village can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Village will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

#### *Pension Trust - Fire Service Awards Program*

The Village, pursuant to Article 11-A of General Municipal Law of the State of New York and legislative resolution, has established a Length of Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan established as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Village's general creditors. The program is accounted for in the Town's financial statements within the General Fund.

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. Administrative costs are paid by the Village from the General Fund. Separate financial statements are not issued by the program.

**Note 3 - Detailed Notes on All Funds (Continued)**

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>January 01, 2017</u>
Active - Vested	
Active - non-vested	55
Retirees and beneficiaries currently receiving benefits	30
Terminated employees entitled to benefits but not yet receiving them	2

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 5.0% and there are no cost of living adjustments.

The Village has retained and designated PenFlex, Inc. to assist in the administration of the Program. Based on the certified calendar year volunteer firefighter listings, PenFlex, Inc. determines and certifies in writing the amount of the service award to be paid to a participant or to a participant's designated beneficiary. As authorized by the Village, PenFlex, Inc. then directs the paying agent to pay the service award. No service award benefit payment is made without the written certification from PenFlex, Inc. and written confirmation from the Village.

Program assets are required to be held in trust by Article 11-A of the General Municipal Law of the State of New York, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. Authority to invest the Program's assets is vested in the Village. Program assets are invested in accordance with statutory prudent person rule and in accordance with an investment policy adopted by the Village.

The Village is required to retain an actuary to determine the amount of the Village's contributions to the Program. The actuarial firm retained for this purpose is Penflex, Inc. Portions of the following information are derived from a report prepared by the actuary dated January 1, 2017.

Actuarial Present Value of Benefits at December 31, 2016		<u>\$ (1,289,871)</u>
	<u>% of total</u>	
Cash and money market	1.32%	13,059
Interest and dividends	0.01%	53
US equities	22.66%	223,758
International equities	9.98%	98,541
Fixed income	45.73%	451,594
Mixed assets	19.91%	196,652
Benefits payable	0.39%	<u>3,900</u>
Total Assets Available for Benefits		<u>987,557</u>
Total Unfunded Benefits		<u>\$ (302,314)</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

The Village is required to contribute the amounts necessary to finance the Program as actuarially determined using the attained age normal frozen initial liability cost method. The net pension obligation is not amortized on a separate basis. The assumed investment rate of return is 5.00% and there are no cost of living adjustments. In addition, projected salary increases are not applicable since members are volunteers and there are no assumptions regarding post-retirement benefit increases since post-retirement aged members are not projected to earn service credits.

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>
2017	\$ 113,068	\$ -	- %
2016	110,709	110,709	100
2015	92,144	92,144	100

Since the net pension obligation is not separately amortized, the annual required contribution is equal to the annual pension costs. Per actuary, the 2017 required contribution made in calendar year 2017.

The schedule of funding progress for the defined benefit pension 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 of over time.

The current contributions were charged to the General Fund. Administrative fees of \$1,005 were also charged to the General Fund in connection with the administration of the Program.

**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.



**Note 3 - Detailed Notes on All Funds (Continued)**

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
2017	6.00 %	5.00 %
2018+	5.00	5.00

The amortization basis is the level of percentage of payroll method with a closed amortization approach with 22 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, 2017 was as follows:

Active Employees	60
Retired Employees	<u>54</u>
	<u>114</u>

**Village of Croton-on-Hudson, New York**

Notes to Financial Statements (Continued)  
 May 31, 2017

**Note 3 - Detailed Notes on All Funds (Continued)**

Amortization Component	
Actuarial Accrued Liability as of June 1, 2016	\$ 28,324,301
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 28,324,301</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 7,780,922</u>
UAAL as a Percentage of Covered Payroll	<u>364.02%</u>
Annual Required Contribution	\$ 2,000,522
Interest on Net OPEB Obligation	311,057
Adjustment to ARC	<u>(402,107)</u>
Annual OPEB Cost	1,909,472
Contributions Made	<u>(836,833)</u>
Increase in Net OPEB Obligation	1,072,639
Net OPEB Obligation - Beginning of Year	<u>7,776,415</u>
Net OPEB Obligation - End of Year	<u>\$ 8,849,054</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:

<u>Fiscal Year Ended May 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2017	\$ 1,909,472	43.83 %	8,849,054
2016	1,836,775	43.11	7,776,415
2015	1,764,319	40.45	6,731,554

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.

**G. 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:

**Note 3 - Detailed Notes on All Funds (Continued)**

Transfers Out	Transfers In			Total
	General Fund	Debt Service Fund	Capital Projects Fund	
General Fund	\$ -	\$ 2,768,727	\$ 203,716	\$ 2,972,443
Water Fund	-	1,062,065	4,670	1,066,735
Debt Service Fund	50,000	-	-	50,000
Capital Projects Fund	-	44,721	-	44,721
Non-Major Governmental Funds	-	108,655	-	108,655
	<u>\$ 50,000</u>	<u>\$ 3,984,168</u>	<u>\$ 208,386</u>	<u>\$ 4,242,554</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.

**H. 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 Pension Benefits* - The component of net position that has been set aside to be used for LOSAP pension benefits in accordance with Article 11-A of the General Municipal Law of the State of New York.

*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, 2017

### Note 3 - Detailed Notes on All Funds (Continued)

#### I. Fund Balances

	2017						2016					
	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	\$ 7,105	\$ -	\$ -	\$ -	\$ -	\$ 7,105	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ 1,900
Advances	209,758	-	-	-	-	209,758	279,206	-	-	-	-	279,206
Total Nonspendable	216,863	-	-	-	-	216,863	281,106	-	-	-	-	281,106
Restricted												
Employee benefits	894,848	15,215	-	-	-	910,063	893,508	15,215	-	-	-	908,723
Future capital projects	-	78,440	-	-	-	78,440	-	78,244	-	-	-	78,244
Pension benefit	987,557	-	-	-	-	987,557	-	-	-	-	-	-
Debt service	-	-	372,386	-	-	372,386	-	-	316,536	-	-	316,536
Capital projects	-	-	-	6,258,164	-	6,258,164	-	-	-	10,287,956	-	10,287,956
Parklands	-	-	-	-	832,863	832,863	-	-	-	-	1,079,606	1,079,606
Trusts	-	-	-	-	128	128	-	-	-	-	128	128
Total Restricted	1,882,405	93,655	372,386	6,258,164	832,991	9,439,601	893,508	93,459	316,536	10,287,956	1,079,734	12,671,193
Assigned												
Purchases on order												
General government support	32,707	-	-	-	-	32,707	7,079	-	-	-	-	7,079
Public safety	20,497	-	-	-	-	20,497	28,647	-	-	-	-	28,647
Health	10,973	-	-	-	-	10,973	7,801	-	-	-	-	7,801
Transportation	7,697	-	-	-	-	7,697	11,511	-	-	-	-	11,511
Economic opportunity and development	-	-	-	-	-	-	6,605	-	-	-	-	6,605
Culture and recreation	4,642	-	-	-	-	4,642	31,912	-	-	-	-	31,912
Home and community services	35,365	37,963	-	-	-	73,328	22,511	18,924	-	-	-	41,435
Employee benefits	501	-	-	-	-	501	1,969	-	-	-	-	1,969
	112,382	37,963	-	-	-	150,345	118,035	18,924	-	-	-	136,959
Subsequent year's expenditures	425,000	-	50,000	-	-	475,000	500,000	-	50,000	-	-	550,000
Future retirement expenditures	350,000	30,300	-	-	-	380,300	350,000	30,300	-	-	-	380,300
Water	-	452,107	-	-	-	452,107	-	430,211	-	-	-	430,211
Total Assigned	887,382	520,370	50,000	-	-	1,457,752	968,035	479,435	50,000	-	-	1,497,470
Unassigned												
Purchases on order												
Home and community services	-	-	-	-	-	-	-	-	-	-	1,065	1,065
Other	6,469,558	-	-	-	(199,205)	6,270,353	5,832,266	-	-	-	(268,097)	5,564,169
Total Unassigned	6,469,558	-	-	-	(199,205)	6,270,353	5,832,266	-	-	-	(267,032)	5,565,234
Total Fund Balances	\$ 9,456,208	\$ 614,025	\$ 422,386	\$ 6,258,164	\$ 633,786	\$ 17,384,569	\$ 7,974,915	\$ 572,894	\$ 366,536	\$ 10,287,956	\$ 812,702	\$ 20,015,003

**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 subdivision by the Planning Board. These funds may be used only for park, playground or recreation purposes. The funds of the Gouveia Trust account represents an endowment to be used for the care and upkeep of Gouveia Park.

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, 2017, 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 official's 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.

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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 January 1,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio
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
2014	886,387	890,101	3,714	99.58
2015	888,850	1,135,397	246,547	78.29
2016	987,887	1,289,871	301,984	76.59

See independent auditors' report.

**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, 2016	\$ -	\$ 28,324,301	\$ 28,324,301	- %	\$ 7,780,922	364.02 %
June 1, 2015	-	27,493,153	27,493,153	-	7,572,993	363.04
June 1, 2014	-	26,629,824	26,629,824	-	7,845,423	339.43



## Village of Croton-on-Hudson, New York

Required Supplementary Information - Schedule of the  
Village's Proportionate Share of the Net Pension Liability  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)

	2017	2016
Village's proportion of the net pension liability (asset)	<u>0.0205204%</u>	<u>0.0200875%</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 1,928,144</u>	<u>\$ 3,224,099</u>
Village's covered-employee payroll	<u>\$ 5,117,569</u>	<u>\$ 4,878,324</u>
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>37.68%</u>	<u>66.09%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>94.70%</u>	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date.

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

**Village of Croton-on-Hudson, New York****Required Supplementary Information - Schedule of Contributions  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)**

	<u>2016</u>	<u>2016</u>
Contractually required contribution	\$ 742,631	\$ 851,684
Contributions in relation to the contractually required contribution	<u>(742,631)</u>	<u>(851,684)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Village's covered-employee payroll	<u>\$ 4,981,026</u>	<u>\$ 4,810,512</u>
Contributions as a percentage of covered-employee payroll	<u>14.91%</u>	<u>17.70%</u>

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

## Village of Croton-on-Hudson, New York

Required Supplementary Information - Schedule of the  
Village's Proportionate Share of the Net Pension Liability  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)

	2017	2016
Village's proportion of the net pension liability (asset)	<u>0.0758163%</u>	<u>0.0798780%</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 1,571,408</u>	<u>\$ 2,365,019</u>
Village's covered-employee payroll	<u>\$ 2,923,361</u>	<u>\$ 2,860,350</u>
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>53.75%</u>	<u>82.68%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.50%</u>	<u>90.20%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date.

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

## Village of Croton-on-Hudson, New York

Required Supplementary Information - Schedule of the  
Village's Proportionate Share of the Net Pension Liability  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)

	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 675,384	\$ 627,862
Contributions in relation to the contractually required contribution	<u>(675,384)</u>	<u>(627,862)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Village's covered-employee payroll	<u>\$ 2,826,988</u>	<u>\$ 2,827,318</u>
Contributions as a percentage of covered-employee payroll	<u>23.89%</u>	<u>22.21%</u>

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

**Village of Croton-on-Hudson, New York**

General Fund

Combining Balance Sheet - Sub-Funds

May 31, 2017

(With Comparative Actuals for 2016)

		Ambulance Service Awards Program	Totals	
	General		2017	2016
<b>ASSETS</b>				
Cash and equivalents	\$ 4,717,143	\$ 13,059	\$ 4,730,202	\$ 7,357,465
Investments	-	970,875	970,875	-
Taxes receivable, net of allowance for uncollectible amounts of \$134,247 in 2017 and \$139,785 in 2016	43,679	-	43,679	52,769
Other receivables				
Accounts	110,469	3,623	114,092	332,509
State and Federal aid	62,828	-	62,828	53,761
Due from other governments	237,803	-	237,803	260,495
Due from other funds	5,010,944	-	5,010,944	1,380,814
Advances to other funds	209,758	-	209,758	279,206
Prepaid expenditures	7,105	-	7,105	1,900
Total Assets	<u>\$ 10,399,729</u>	<u>\$ 987,557</u>	<u>\$ 11,387,286</u>	<u>\$ 9,718,919</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 726,251	\$ -	\$ 726,251	\$ 681,921
Accrued Liabilities	404,316	-	404,316	377,485
Due to other funds	192,797	-	192,797	114,279
Due to other governments	14,157	-	14,157	10,282
Unearned Revenues	559,995	-	559,995	542,255
Total Liabilities	1,897,516	-	1,897,516	1,726,222
Deferred inflows of resources				
Deferred tax revenues	33,562	-	33,562	17,782
Total Liabilities and Deferred Inflows of Resources	<u>1,931,078</u>	<u>-</u>	<u>1,931,078</u>	<u>1,744,004</u>
Fund balances				
Nonspendable	216,863	-	216,863	281,106
Restricted	894,848	987,557	1,882,405	893,508
Assigned	887,382	-	887,382	968,035
Unassigned	6,469,558	-	6,469,558	5,832,266
Total Fund Balances	<u>8,468,651</u>	<u>987,557</u>	<u>9,456,208</u>	<u>7,974,915</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,399,729</u>	<u>\$ 987,557</u>	<u>\$ 11,387,286</u>	<u>9,718,919</u>

Village of Croton-on-Hudson, New York

General Fund

Combining Schedules of Revenues, Expenditures and Changes in Fund Balances - Sub-Funds

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

		Ambulance Service Awards Program		Totals	
	General		Eliminations	2017	2016
REVENUES					
Real property taxes	\$ 11,314,120	\$ -	\$ -	\$ 11,314,120	\$ 11,258,344
Other tax items	33,613	-	-	33,613	44,031
Non-property taxes	1,425,545	-	-	1,425,545	1,386,226
Departmental income	4,540,844	110,709	(110,709)	4,540,844	4,208,884
Net change in fair value of investments	-	23,483	-	23,483	-
Use of money and property	171,063	23,366	-	194,429	143,555
Licenses and permits	239,352	-	-	239,352	227,806
Fines and forfeitures	299,150	-	-	299,150	256,853
Sale of property and compensation for loss	78,994	-	-	78,994	64,323
Interfund revenues	495,415	-	-	495,415	522,000
State aid	225,113	-	-	225,113	301,321
Federal aid	125,226	-	-	125,226	103,540
Miscellaneous	5,789	-	-	5,789	3,764
Total Revenues	18,954,224	157,558	(110,709)	19,001,073	18,520,647
EXPENDITURES					
Current					
General government support	3,098,923	-	-	3,098,923	3,223,022
Public safety	3,708,443	-	-	3,708,443	3,607,494
Health	468,990	58,852	-	527,842	446,248
Transportation	1,697,634	-	-	1,697,634	1,434,248
Economic opportunity and development	63,749	-	-	63,749	69,810
Culture and recreation	1,246,498	-	-	1,246,498	1,117,137
Home and community services	1,026,104	-	-	1,026,104	1,082,656
Employee benefits	4,256,939	-	(110,709)	4,146,230	4,063,210
Debt service		-			
Interest	8,198	-	-	8,198	8,641
Total Expenditures	15,575,478	58,852	(110,709)	15,523,621	15,052,466
Excess of Revenues Over Expenditures	3,378,746	98,706	-	3,477,452	3,468,181
OTHER FINANCING USES					
Insurance recoveries	37,433	-	-	37,433	32,320
Transfers in	50,000	-	-	50,000	167,479
Transfers out	(2,972,443)	-	-	(2,972,443)	(2,762,156)
Total Other Financing Uses	(2,885,010)	-	-	(2,885,010)	(2,562,357)
Net Change in Fund Balances	493,736	98,706	-	592,442	905,824
FUND BALANCES					
Beginning of Year, as reported	7,974,915	-	-	7,974,915	7,069,091
Cumulative Effect of Change in Accounting Principle	-	888,851	-	888,851	-
Beginning of Year, as restated	7,974,915	888,851	-	8,863,766	7,069,091
End of Year	\$ 8,468,651	\$ 987,557	\$ -	\$ 9,456,208	\$ 7,974,915

**Village of Croton-on-Hudson, New York**

## General Fund

## Comparative Balance Sheet - Sub-Fund

May 31,

	2017	2016
<b>ASSETS</b>		
Cash and equivalents	\$ 4,717,143	\$ 7,357,465
Taxes receivable, net of allowance for uncollectible amounts of \$134,247 in 2017 and \$139,785 in 2016	43,679	52,769
Other receivables		
Accounts	110,469	332,509
State and Federal aid	62,828	53,761
Due from other governments	237,803	260,495
Due from other funds	5,010,944	1,380,814
Advances to other funds	209,758	279,206
	5,631,802	2,306,785
Prepaid expenditures	7,105	1,900
Total Assets	\$ 10,399,729	\$ 9,718,919
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 726,251	\$ 681,921
Accrued liabilities	404,316	377,485
Due to other funds	192,797	114,279
Due to other governments	14,157	10,282
Unearned revenues	559,995	542,255
Total Liabilities	1,897,516	1,726,222
Deferred inflows of resources		
Deferred tax revenues	33,562	17,782
Total Liabilities and Deferred Inflows of Resources	1,931,078	1,744,004
Fund balance		
Nonspendable	216,863	281,106
Restricted	894,848	893,508
Assigned	887,382	968,035
Unassigned	6,469,558	5,832,266
Total Fund Balance	8,468,651	7,974,915
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 10,399,729	\$ 9,718,919

Village of Croton-on-Hudson, New York

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

	2017			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 11,324,363	\$ 11,324,363	\$ 11,314,120	\$ (10,243)
Other tax items	50,001	50,001	33,613	(16,388)
Non-property taxes	1,393,000	1,393,000	1,425,545	32,545
Departmental income	4,297,932	4,299,192	4,540,844	241,652
Use of money and property	132,500	134,200	171,063	36,863
Licenses and permits	147,250	138,036	239,352	101,316
Fines and forfeitures	245,000	245,000	299,150	54,150
Sale of property and compensation for loss	8,500	24,500	78,994	54,494
Interfund revenues	495,415	495,415	495,415	-
State aid	182,347	185,347	225,113	39,766
Federal aid	-	123,566	125,226	1,660
Miscellaneous	-	-	5,789	5,789
Total Revenues	18,276,308	18,412,620	18,954,224	541,604
<b>EXPENDITURES</b>				
Current				
General government support	3,410,207	3,177,667	3,098,923	78,744
Public safety	3,688,529	3,755,936	3,708,443	47,493
Health	394,286	514,101	468,990	45,111
Transportation	2,415,538	1,739,201	1,697,634	41,567
Economic opportunity and development	69,345	75,705	63,749	11,956
Culture and recreation	1,184,476	1,307,751	1,246,498	61,253
Home and community services	482,242	1,133,776	1,026,104	107,672
Employee benefits	4,334,520	4,404,478	4,256,939	147,539
Debt service				
Interest	6,498	8,198	8,198	-
Total Expenditures	15,985,641	16,116,813	15,575,478	541,335
Excess of Revenues Over Expenditures	2,290,667	2,295,807	3,378,746	1,082,939
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	-	30,715	37,433	6,718
Transfers in	50,000	50,000	50,000	-
Transfers out	(2,958,702)	(2,973,190)	(2,972,443)	747
Total Other Financing Uses	(2,908,702)	(2,892,475)	(2,885,010)	7,465
Net Change in Fund Balance	(618,035)	(596,668)	493,736	1,090,404
<b>FUND BALANCE</b>				
Beginning of Year	618,035	596,668	7,974,915	7,378,247
End of Year	\$ -	\$ -	\$ 8,468,651	\$ 8,468,651



2016

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 11,250,447	\$ 11,250,447	\$ 11,258,344	\$ 7,897
50,001	50,001	44,031	(5,970)
1,355,000	1,355,000	1,386,226	31,226
4,119,095	4,154,239	4,208,884	54,645
166,500	168,942	143,555	(25,387)
140,200	144,591	227,806	83,215
230,000	230,000	256,853	26,853
18,500	19,569	64,323	44,754
522,000	522,000	522,000	-
180,900	260,388	301,321	40,933
-	100,591	103,540	2,949
-	-	3,764	3,764
18,032,643	18,255,768	18,520,647	264,879
3,506,382	3,476,954	3,223,022	253,932
3,574,029	3,665,233	3,607,494	57,739
416,974	515,441	446,248	69,193
2,320,238	1,565,976	1,434,248	131,728
71,140	78,036	69,810	8,226
1,147,958	1,204,760	1,117,137	87,623
471,371	1,159,746	1,082,656	77,090
4,449,064	4,500,120	4,063,210	436,910
6,200	8,642	8,641	1
15,963,356	16,174,908	15,052,466	1,122,442
2,069,287	2,080,860	3,468,181	1,387,321
5,000	28,023	32,320	4,297
75,000	75,000	167,479	92,479
(2,725,490)	(2,763,011)	(2,762,156)	855
(2,645,490)	(2,659,988)	(2,562,357)	97,631
(576,203)	(579,128)	905,824	1,484,952
576,203	579,128	7,069,091	6,489,963
\$ -	\$ -	\$ 7,974,915	\$ 7,974,915

**Village of Croton-on-Hudson, New York**

General Fund - Sub-Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

09

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>REAL PROPERTY TAXES</b>	<u>\$ 11,324,363</u>	<u>\$ 11,324,363</u>	<u>\$ 11,314,120</u>	<u>\$ (10,243)</u>	<u>\$ 11,258,344</u>
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	<u>50,001</u>	<u>50,001</u>	<u>33,613</u>	<u>(16,388)</u>	<u>44,031</u>
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	1,155,000	1,155,000	1,155,056	56	1,174,703
Franchise fees	128,000	128,000	158,322	30,322	105,790
Utilities gross receipts taxes	<u>110,000</u>	<u>110,000</u>	<u>112,167</u>	<u>2,167</u>	<u>105,733</u>
	<u>1,393,000</u>	<u>1,393,000</u>	<u>1,425,545</u>	<u>32,545</u>	<u>1,386,226</u>
<b>DEPARTMENTAL INCOME</b>					
Garbage removal	62,625	62,625	60,375	(2,250)	74,875
Parks and recreation charges	250,000	250,000	277,139	27,139	269,151
Ambulance service	256,043	256,043	330,852	74,809	290,173
Planning Board fees	5,000	5,000	7,375	2,375	7,650
Zoning fees	4,500	4,500	7,225	2,725	6,463
Fire protection services for other governments	282,620	282,620	282,620	-	117,512
Parking permits	3,425,000	3,425,000	3,547,727	122,727	3,371,515
Parking meters	-	-	-	-	491
Other	<u>12,144</u>	<u>13,404</u>	<u>27,531</u>	<u>14,127</u>	<u>71,054</u>
	<u>4,297,932</u>	<u>4,299,192</u>	<u>4,540,844</u>	<u>241,652</u>	<u>4,208,884</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	10,000	11,700	26,332	14,632	21,310
Rental of real property	122,500	122,500	144,731	22,231	122,245
	<u>132,500</u>	<u>134,200</u>	<u>171,063</u>	<u>36,863</u>	<u>143,555</u>

**LICENSES AND PERMITS**

Business and occupational licenses	6,750	6,750	11,165	4,415	9,965
Building permits	70,000	76,786	144,304	67,518	99,319
Dog license apportionment	3,500	3,500	5,017	1,517	4,833
Permit fees	67,000	51,000	78,866	27,866	113,689
	<u>147,250</u>	<u>138,036</u>	<u>239,352</u>	<u>101,316</u>	<u>227,806</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	245,000	245,000	299,150	54,150	256,853
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**SALE OF PROPERTY AND COMPENSATION  
FOR LOSS**

Sale of equipment	2,000	2,000	27,066	25,066	33,448
Minor sales	-	16,000	23,379	7,379	20,316
Other	6,500	6,500	28,549	22,049	10,559
	<u>8,500</u>	<u>24,500</u>	<u>78,994</u>	<u>54,494</u>	<u>64,323</u>

**INTERFUND REVENUES**

	<u>495,415</u>	<u>495,415</u>	<u>495,415</u>	<u>-</u>	<u>522,000</u>
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**STATE AID**

Per capita	45,347	45,347	45,347	-	45,347
Mortgage tax	100,000	100,000	142,137	42,137	122,648
Youth programs	-	-	1,872	1,872	1,776
Snow and ice reimbursement	37,000	37,000	24,145	(12,855)	40,973
Other	-	3,000	11,612	8,612	90,577
	<u>182,347</u>	<u>185,347</u>	<u>225,113</u>	<u>39,766</u>	<u>301,321</u>

(Continued)

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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, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>FEDERAL AID</b>					
Public health	\$ -	\$ 123,566	\$ 123,566	\$ -	\$ 100,591
Emergency management assistance	-	-	-	-	2,949
Selective enforcement	-	-	1,660	1,660	-
	-	123,566	125,226	1,660	103,540
<b>MISCELLANEOUS</b>					
Refund of prior year's expenditures	-	-	5,222	5,222	3,672
Gifts and donations	-	-	567	567	92
	-	-	5,789	5,789	3,764
<b>TOTAL REVENUES</b>	<u>18,276,308</u>	<u>18,412,620</u>	<u>18,954,224</u>	<u>541,604</u>	<u>18,520,647</u>
<b>OTHER FINANCING SOURCES</b>					
Insurance recoveries	-	30,715	37,433	6,718	32,320
Transfers in					
Capital Projects Fund	-	-	-	-	92,479
Debt Service Fund	50,000	50,000	50,000	-	75,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>50,000</u>	<u>80,715</u>	<u>87,433</u>	<u>6,718</u>	<u>199,799</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 18,326,308</u>	<u>\$ 18,493,335</u>	<u>\$ 19,041,657</u>	<u>\$ 548,322</u>	<u>\$ 18,720,446</u>

See independent auditors' report.

**Village of Croton-on-Hudson, New York**

General Fund - Sub-Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 26,735	\$ 26,735	\$ 25,946	\$ 789	\$ 25,572
Justice	278,479	283,671	283,669	2	275,624
Mayor	8,270	8,270	7,160	1,110	6,015
Clerk - Treasurer	354,854	359,529	356,898	2,631	433,342
Assessment	10,781	10,781	10,323	458	10,279
Manager	258,157	255,097	250,483	4,614	146,257
Data processing	199,752	202,367	202,366	1	212,895
Law	201,507	176,895	176,893	2	184,321
Engineer	518,503	530,671	530,227	444	514,289
Operation of plant and buildings	147,371	168,345	143,256	25,089	164,312
Auditor	40,920	41,280	41,280	-	48,055
Central garage	485,249	468,850	442,431	26,419	408,001
Central communications	332,981	287,813	278,013	9,800	377,891
Unallocated insurance	303,392	263,353	261,227	2,126	283,302
Municipal association dues	4,857	9,895	9,895	-	16,451
Judgments and claims	2,000	-	-	-	-
Purchase of land	5,000	5,000	-	5,000	3,220
Refunds of real property taxes	30,000	38,612	38,612	-	5,449
Taxes and assessments on property	13,500	12,057	12,057	-	10,289
Tax advertising	350	350	91	259	317
Records management	1,320	1,320	1,320	-	70,892
Metropolitan transportation authority commuter mobility tax	26,229	26,776	26,776	-	26,249
Contingent account	160,000	-	-	-	-
	<u>3,410,207</u>	<u>3,177,667</u>	<u>3,098,923</u>	<u>78,744</u>	<u>3,223,022</u>

**PUBLIC SAFETY**

Police	3,189,657	3,192,905	3,157,823	35,082	3,200,656
Jail	1,000	1,000	-	1,000	250
Fire Department	473,817	528,918	522,007	6,911	375,662
Control of animals	10,940	11,946	10,132	1,814	8,817
Traffic control	13,115	21,167	18,481	2,686	22,109
	<u>3,688,529</u>	<u>3,755,936</u>	<u>3,708,443</u>	<u>47,493</u>	<u>3,607,494</u>

**HEALTH**

Registrar of Vital Statistics	5,800	5,800	4,612	1,188	6,290
Public health	7,619	127,434	119,815	7,619	97,427
Ambulance	380,867	380,867	344,563	36,304	342,531
	<u>394,286</u>	<u>514,101</u>	<u>468,990</u>	<u>45,111</u>	<u>446,248</u>

**TRANSPORTATION**

Street maintenance and administration	1,790,614	965,641	943,346	22,295	912,632
Snow removal	228,900	296,373	296,340	33	178,826
Street lighting	12,500	48,770	45,206	3,564	32,204
Off-street parking	328,320	363,521	361,141	2,380	256,904
Brush and weeds	55,204	64,896	51,601	13,295	53,682
	<u>2,415,538</u>	<u>1,739,201</u>	<u>1,697,634</u>	<u>41,567</u>	<u>1,434,248</u>

**ECONOMIC OPPORTUNITY AND  
DEVELOPMENT**

Publicity	<u>69,345</u>	<u>75,705</u>	<u>63,749</u>	<u>11,956</u>	<u>69,810</u>
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**CULTURE AND RECREATION**

Parks, playgrounds and recreation	1,073,161	1,184,619	1,133,364	51,255	1,008,125
Historian	11,855	11,855	7,141	4,714	7,813
Celebrations	29,500	41,317	40,258	1,059	34,122
Senior citizens programs	69,960	69,960	65,735	4,225	67,077
	<u>1,184,476</u>	<u>1,307,751</u>	<u>1,246,498</u>	<u>61,253</u>	<u>1,117,137</u>

(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, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Zoning	\$ 3,335	\$ 3,335	\$ 2,530	\$ 805	\$ 2,596
Planning	25,634	25,634	12,723	12,911	8,885
Recycling program	149,147	440,296	430,633	9,663	436,188
Sanitary and storm sewers	31,670	94,912	79,733	15,179	91,053
Refuse and garbage	141,000	322,550	296,552	25,998	316,131
Street cleaning	7,500	54,021	53,845	176	63,769
Shade trees	73,280	140,328	108,860	31,468	122,566
Community beautification	40,610	40,610	29,396	11,214	33,510
Other	10,066	12,090	11,832	258	7,958
	<u>482,242</u>	<u>1,133,776</u>	<u>1,026,104</u>	<u>107,672</u>	<u>1,082,656</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	666,280	671,943	660,688	11,255	727,867
State retirement - Police and Fire	663,582	675,384	660,829	14,555	615,943
Service awards program	117,969	118,013	110,709	7,304	1,196
Social security	455,241	458,281	440,232	18,049	433,500
Workers' compensation benefits	355,321	355,321	315,059	40,262	315,170
Life insurance	7,550	7,910	7,910	-	7,740
Health insurance	1,729,563	1,767,217	1,767,217	-	1,685,384
Dental insurance	103,752	106,280	106,280	-	101,627
Medicare reimbursement	226,262	234,275	178,680	55,595	171,464
Unemployment benefits	9,000	9,854	9,335	519	3,319
	<u>4,334,520</u>	<u>4,404,478</u>	<u>4,256,939</u>	<u>147,539</u>	<u>4,063,210</u>



**DEBT SERVICE**

## Interest

Bond anticipation notes	<u>6,498</u>	<u>8,198</u>	<u>8,198</u>	<u>-</u>	<u>8,641</u>
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**TOTAL EXPENDITURES**

	<u>15,985,641</u>	<u>16,116,813</u>	<u>15,575,478</u>	<u>541,335</u>	<u>15,052,466</u>
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**OTHER FINANCING USES**

## Transfers out

Capital Projects Fund	189,975	204,463	203,716	747	219,104
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Water Fund	-	-	-	-	36,667
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Debt Service Fund	<u>2,768,727</u>	<u>2,768,727</u>	<u>2,768,727</u>	<u>-</u>	<u>2,506,385</u>
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**TOTAL OTHER FINANCING USES**

	<u>2,958,702</u>	<u>2,973,190</u>	<u>2,972,443</u>	<u>747</u>	<u>2,762,156</u>
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**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

	<u>\$ 18,944,343</u>	<u>\$ 19,090,003</u>	<u>\$ 18,547,921</u>	<u>\$ 542,082</u>	<u>\$ 17,814,622</u>
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Village of Croton-on-Hudson, New York

Water Fund  
Comparative Balance Sheet  
May 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 482,097</u>	<u>\$ 293,851</u>
Receivables		
Water rents	1,016,180	1,040,560
Due from other funds	<u>209,451</u>	<u>175,760</u>
	<u>1,225,631</u>	<u>1,216,320</u>
Total Assets	<u><u>\$ 1,707,728</u></u>	<u><u>\$ 1,510,171</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 40,781	\$ 51,784
Accrued liabilities	22,568	20,353
Due to other funds	<u>1,030,354</u>	<u>865,140</u>
Total Liabilities	<u>1,093,703</u>	<u>937,277</u>
Fund balance		
Restricted	93,655	93,459
Assigned	<u>520,370</u>	<u>479,435</u>
Total Fund Balance	<u>614,025</u>	<u>572,894</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,707,728</u></u>	<u><u>\$ 1,510,171</u></u>

**Village of Croton-on-Hudson, New York**

**Water Fund**

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

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 2,889,864	\$ 2,889,864	\$ 2,880,697	\$ (9,167)
Use of money and property	-	-	1,469	1,469
Sale of property and compensation for loss	-	13,567	13,567	-
Total Revenues	2,889,864	2,903,431	2,895,733	(7,698)
<b>EXPENDITURES</b>				
Current				
General government support	312,616	236,768	230,170	6,598
Home and community services	1,255,947	1,313,989	1,262,883	51,106
Employee benefits	278,160	304,863	294,814	10,049
Total Expenditures	1,846,723	1,855,620	1,787,867	67,753
Excess of Revenues Over Expenditures	1,043,141	1,047,811	1,107,866	60,055
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(1,062,065)	(1,066,735)	(1,066,735)	-
Total Other Financing Uses	(1,062,065)	(1,066,735)	(1,066,735)	-
Net Change in Fund Balance	(18,924)	(18,924)	41,131	60,055
<b>FUND BALANCE</b>				
Beginning of Year	18,924	18,924	572,894	553,970
End of Year	\$ -	\$ -	\$ 614,025	\$ 614,025

See independent auditors' report.

2016

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,560,034 300	\$ 2,560,034 300	\$ 2,729,294 572	\$ 169,260 272
-	4,000	4,000	-
2,560,334	2,564,334	2,733,866	169,532
283,946	235,584	234,907	677
1,241,913	1,321,509	1,292,235	29,274
278,299	287,732	282,538	5,194
1,804,158	1,844,825	1,809,680	35,145
756,176	719,509	924,186	204,677
-	36,667	36,667	-
(763,391)	(763,391)	(763,391)	-
(763,391)	(726,724)	(726,724)	-
(7,215)	(7,215)	197,462	204,677
7,215	7,215	375,432	368,217
\$ -	\$ -	\$ 572,894	\$ 572,894

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Village of Croton-on-Hudson, New York

Water Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>DEPARTMENTAL INCOME</b>					
Metered water sales	\$ 2,871,864	\$ 2,871,864	\$ 2,855,356	\$ (16,508)	\$ 2,709,370
Interest and penalties on water rents	18,000	18,000	25,341	7,341	19,924
	<u>2,889,864</u>	<u>2,889,864</u>	<u>2,880,697</u>	<u>(9,167)</u>	<u>2,729,294</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	-	-	1,469	1,469	572
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>					
Insurance recoveries	-	13,567	13,567	-	4,000
<b>TOTAL REVENUES</b>	<u>2,889,864</u>	<u>2,903,431</u>	<u>2,895,733</u>	<u>(7,698)</u>	<u>2,733,866</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in					
General Fund	-	-	-	-	36,667
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 2,889,864</u>	<u>\$ 2,903,431</u>	<u>\$ 2,895,733</u>	<u>\$ (7,698)</u>	<u>\$ 2,770,533</u>

See independent auditors' report.

**Village of Croton-on-Hudson, New York**

Water Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Central communications	\$ 181,794	\$ 149,662	\$ 144,166	\$ 5,496	\$ 156,681
Auditor	7,485	7,740	7,740	-	7,401
Unallocated insurance	91,737	71,896	71,895	1	64,564
Municipal association dues	1,100	1,100	-	1,100	801
Taxes and assessments on property	5,500	6,370	6,369	1	5,460
Contingent account	25,000	-	-	-	-
	<u>312,616</u>	<u>236,768</u>	<u>230,170</u>	<u>6,598</u>	<u>234,907</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Water administration	578,948	581,882	581,879	3	588,487
Pumping, supply and power	169,250	196,983	167,464	29,519	170,002
Transmission and distribution	507,749	535,124	513,540	21,584	533,746
	<u>1,255,947</u>	<u>1,313,989</u>	<u>1,262,883</u>	<u>51,106</u>	<u>1,292,235</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	70,093	70,789	70,689	100	68,705
Social security	31,528	33,066	33,066	-	32,473
Workers' compensation benefits	61,422	61,422	54,462	6,960	54,481
Life insurance	358	456	456	-	456
Health and dental insurance	103,609	127,980	127,980	-	118,362
Medicare reimbursement	11,150	11,150	8,161	2,989	8,061
	<u>278,160</u>	<u>304,863</u>	<u>294,814</u>	<u>10,049</u>	<u>282,538</u>
<b>TOTAL EXPENDITURES</b>	<u>1,846,723</u>	<u>1,855,620</u>	<u>1,787,867</u>	<u>67,753</u>	<u>1,809,680</u>



**OTHER FINANCING USES**

## Transfers out

Capital Projects Fund

Debt Service Fund

-	4,670	4,670	-	-
<u>1,062,065</u>	<u>1,062,065</u>	<u>1,062,065</u>	<u>-</u>	<u>763,391</u>

**TOTAL OTHER FINANCING USES**

<u>1,062,065</u>	<u>1,066,735</u>	<u>1,066,735</u>	<u>-</u>	<u>763,391</u>
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**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

<u>\$ 2,908,788</u>	<u>\$ 2,922,355</u>	<u>\$ 2,854,602</u>	<u>\$ 67,753</u>	<u>\$ 2,573,071</u>
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Village of Croton-on-Hudson, New York

Debt Service Fund  
Comparative Balance Sheet  
May 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 76,784	\$ 412,232
Due from other funds	<u>345,602</u>	<u>245,089</u>
Total Assets	<u>\$ 422,386</u>	<u>\$ 657,321</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	<u>\$ -</u>	<u>\$ 290,785</u>
Fund balance		
Restricted	372,386	316,536
Assigned	<u>50,000</u>	<u>50,000</u>
Total Fund Balance	<u>422,386</u>	<u>366,536</u>
Total Liabilities and Fund Balance	<u>\$ 422,386</u>	<u>\$ 657,321</u>

See independent auditors' report.

**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,

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 61,126	\$ 61,126
<b>EXPENDITURES</b>				
Debt service				
Principal				
Serial bonds	2,563,202	2,563,202	2,563,200	2
Installment purchase debt	159,983	159,983	159,982	1
	2,723,185	2,723,185	2,723,182	3
Interest				
Serial bonds	1,123,314	1,123,314	1,123,314	-
Installment purchase debt	92,948	92,948	92,948	-
	1,216,262	1,216,262	1,216,262	-
Refunding bond issuance costs	-	-	-	-
Total Expenditures	3,939,447	3,939,447	3,939,444	3
Deficiency of Revenues Over Expenditures	(3,939,447)	(3,939,447)	(3,878,318)	61,129
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Issuance premium	-	-	-	-
Transfers in	3,939,447	3,939,447	3,984,168	44,721
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources	3,889,447	3,889,447	3,934,168	44,721
Net Change in Fund Balance	(50,000)	(50,000)	55,850	105,850
<b>FUND BALANCE</b>				
Beginning of Year	50,000	50,000	366,536	316,536
End of Year	\$ -	\$ -	\$ 422,386	\$ 422,386

See independent auditors' report.

2016			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 11,190	\$ 11,190
2,160,531	2,160,531	2,160,531	-
150,799	150,799	150,799	-
2,311,330	2,311,330	2,311,330	-
964,339	964,339	964,339	-
102,133	102,133	102,132	1
1,066,472	1,066,472	1,066,471	1
	84,852	84,852	-
3,377,802	3,462,654	3,462,653	1
(3,377,802)	(3,462,654)	(3,451,463)	11,191
-	2,035,000	2,035,000	-
-	(2,283,920)	(2,283,920)	-
-	333,772	553,028	219,256
3,377,802	3,377,802	3,413,118	35,316
(75,000)	(75,000)	(75,000)	-
3,302,802	3,387,654	3,642,226	254,572
(75,000)	(75,000)	190,763	265,763
75,000	75,000	175,773	100,773
\$ -	\$ -	\$ 366,536	\$ 366,536

Village of Croton-on-Hudson, New York

Capital Projects Fund  
Comparative Balance Sheet  
May 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 11,394,873</u>	<u>\$ 12,429,184</u>
Receivables		
Accounts	4,911	4,911
State and Federal aid	28,614	43,614
Due from other funds	<u>5,110</u>	<u>96</u>
	<u>38,635</u>	<u>48,621</u>
Total Assets	<u><u>\$ 11,433,508</u></u>	<u><u>\$ 12,477,805</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 279,090	\$ 751,752
Bond anticipation notes payable	660,068	696,431
Due to other funds	4,136,213	456,382
Unearned revenues	89,420	273,110
Advances from other funds	<u>10,553</u>	<u>12,174</u>
Total Liabilities	5,175,344	2,189,849
Fund balance		
Restricted	<u>6,258,164</u>	<u>10,287,956</u>
Total Liabilities and Fund Balance	<u><u>\$ 11,433,508</u></u>	<u><u>\$ 12,477,805</u></u>

**Village of Croton-on-Hudson, New York**

**Capital Projects Fund**

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

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
State aid	\$ 399,303	\$ -
Federal aid	-	10,033
Miscellaneous	-	(109)
	<u>399,303</u>	<u>9,924</u>
Total Revenues	399,303	9,924
<b>EXPENDITURES</b>		
Capital outlay	<u>5,924,540</u>	<u>6,888,120</u>
Deficiency of Revenues Over Expenditures	<u>(5,525,237)</u>	<u>(6,878,196)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	1,331,780	8,578,200
Transfers in	208,386	219,104
Transfers out	<u>(44,721)</u>	<u>(127,795)</u>
Total Other Financing Sources	<u>1,495,445</u>	<u>8,669,509</u>
Net Change in Fund Balance	(4,029,792)	1,791,313
<b>FUND BALANCE</b>		
Beginning of Year	<u>10,287,956</u>	<u>8,496,643</u>
End of Year	<u>\$ 6,258,164</u>	<u>\$ 10,287,956</u>

Village of Croton-on-Hudson, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through May 31, 2017

PROJECT	Project Number	Appropriation	Expenditures and Transfers to Date	Unexpended Balance
Croton Landing Field Improvements	04107/07148	\$ 1,667,988	\$ 1,670,146	\$ (2,158)
High Street Drainage	05122	492,522	486,881	5,641
Sanitary Sewer Rehabilitation	05121	101,990	97,888	4,102
High Street CDBG - Phase II	07140	513,096	389,355	123,741
Elliot Way	07142	1,599,999	244,104	1,355,895
Croton Landing Boat Launch Facility	07149	15,300	373	14,927
Police Needs Assessment	08155	151,000	149,875	1,125
Grand Street Fire Apron	08164	744,600	326,936	417,664
South Riverside	09175	500,000	94,450	405,550
Install and Test Well	09176	818,700	806,549	12,151
Water Office Sewer Holding Tank	09177	35,700	8,723	26,977
High Street Water Main Replacement	09179	357,000	331,643	25,357
Nordica Sewer Pump Station	09180	739,500	298,108	441,392
Farrington Road Improvements	09183	713,000	166,896	546,104
Harmon Firehouse HVAC System Overhaul	09190	20,000	12,419	7,581
Police Headquarters Renovation	09193	1,667,700	1,570,000	97,700
Municipal Building Window Replacement	09194	174,700	166,797	7,903
Georgia Lane Stormwater Management	09197	259,670	247,105	12,565
Brook Lane Stormwater Management	09198	25,500	303	25,197
Grant Street Stormwater Management	09199	25,500	9,277	16,223
Stormwater Management-Old Post Road	10205	50,000	4,397	45,603
Cascade System	10208	161,200	161,416	(216)
Traffic/Engineering Study	10211	50,000	22,900	27,100
TEP Grant - Bicycle Ped Improvement	10214	1,536,000	409,194	1,126,806
Half Moon Bay Bridge Rehabilitation	11216	51,000	20,853	30,147
Sprinkler System - Harmon Fire House	11223	61,200	4,339	56,861
Water Source and Well Field Improvement	11228	1,146,300	1,082,740	63,560
Road Sidewalks and Curbs	12230	317,072	214,200	102,872
Sprinkler System at the Washington Fire House	12237	26,520	4,508	22,012
Repair and Graphics to 55 B2	12240	9,588	189	9,399
Security Camera Croton Landing	12242	8,670	7,218	1,452
Dobbs Park Playground	12243	16,830	15,471	1,359
Planning Studies	12244	30,600	24,895	5,705
Water Distribution Model	12245	102,000	97,189	4,811
Brook Street	13250	25,500	125	25,375
Sanitation Truck	13251	267,600	190,687	76,913
Refurbish Equipment	13253	20,400	20,327	73
Energy Efficiency Upgrades	13254	20,400	1,065	19,335
Washington Engine Fire House Apron/ Wall and Kitchen Repairs	13255	22,086	22,744	(658)
Marine 12 Pump Replacement	13256	5,100	4,340	760
Fire FCC Narrowband Radio Compliance Plan	13257	25,500	26,812	(1,312)
Police FCC Narrowband Radio Compliance Plan	13259	51,000	52,170	(1,170)
Water Main Replacement - Water	13261	867,000	859,462	7,538
Water Main Replacement and Extension	13262	9,180,000	7,896,068	1,283,932
911 Remembrance Memorial	13264	83,833	72,705	11,128
6-Wheel Dump Truck	14269	104,040	96,464	7,576
Chief's Car Replacement	14272	51,000	47,292	3,708
Tactical Support Unit	14273	71,400	67,855	3,545
Personal Protection Equipment Compliance	14274	10,200	10,241	(41)
2 Stryker Lift Systems	14275	47,216	47,523	(307)



Proceeds of Obligations	Total Revenues	Fund Balance (Deficit) at May 31, 2017	Bond Anticipation Notes Out- standing at May 31, 2017
\$ 907,988	\$ 1,667,988	\$ (2,158)	\$ -
305,989	492,522	5,641	-
101,990	101,990	4,102	-
256,548	389,355	-	-
1,599,999	1,599,999	1,355,895	-
15,300	15,300	14,927	-
151,000	151,000	1,125	-
744,600	744,600	417,664	-
-	94,450	-	-
818,700	818,700	12,151	-
35,700	35,700	26,977	-
357,000	357,000	25,357	-
739,500	739,500	441,392	-
713,000	713,000	546,104	-
20,000	20,000	7,581	-
1,667,700	1,667,700	97,700	-
171,400	174,700	7,903	-
255,000	259,670	12,565	-
25,500	25,500	25,197	-
25,500	25,500	16,223	-
50,000	50,000	45,603	-
112,240	135,496	(25,920)	25,704
50,000	50,000	27,100	-
336,000	508,213	99,019	-
51,000	51,000	30,147	-
61,200	61,200	56,861	-
1,086,300	1,146,300	63,560	-
214,200	317,072	102,872	-
26,520	26,520	22,012	-
9,588	9,588	9,399	-
8,670	8,670	1,452	-
16,830	16,830	1,359	-
30,600	30,600	5,705	-
102,000	102,000	4,811	-
25,500	25,500	25,375	-
183,600	267,600	76,913	-
-	16,320	(4,007)	4,080
-	16,320	15,255	4,080
-	18,006	(4,738)	4,080
-	4,080	(260)	1,020
-	20,400	(6,412)	5,100
-	39,967	(12,203)	11,034
867,000	867,000	7,538	-
9,180,000	9,180,000	1,283,932	-
-	72,705	-	-
104,040	104,040	7,576	-
51,000	51,000	3,708	-
71,400	71,400	3,545	-
-	5,100	(5,141)	5,100
-	24,776	(22,747)	22,440

(Continued)

Village of Croton-on-Hudson, New York

Capital Projects Fund  
Project-Length Schedule (Continued)  
Inception of Project Through May 31, 2017

PROJECT	Project Number	Appropriation	Expenditures and Transfers to Date	Unexpended Balance
Formation of Additional Parking Spaces	14276	\$ 15,300	\$ 274	\$ 15,026
Tasers (3)	14277	10,200	9,596	604
Patrol Vehicle Computers	14278	15,300	15,661	(361)
Police Vehicles	14279	67,320	67,327	(7)
Yacht Club Repair	14280	2,800,000	2,744,635	55,365
Upgrade Silver Lake/Black Rock	14281	81,600	42,577	39,023
Senasqua Boat Basin Repair	14282	51,000	18,097	32,903
Electronic Messaging Board	14283	18,360	14,429	3,931
General Road Repairs	15284	267,146	266,029	1,117
Sidewalks and Curbs	15285	102,000	94,065	7,935
LED Lights	15286	127,500	103,552	23,948
Half Moon Bay Bridge	15287	510,000	5,088	504,912
Service Truck	15290	76,500	68,521	7,979
Replacement Dump Body Truck	15291	10,200	9,493	707
Tire Machine and Balancer	15292	14,280	10,764	3,516
Washington Engine Central A/C	15293	25,500	23,253	2,247
Washington Engine Fire Generator	15294	45,645	512	45,133
Washington Engine Upgrades	15295	6,936	6,745	191
Grand Street Upgrades	15296	46,614	26,670	19,944
Harmon Fire Windows	15297	51,000	7,414	43,586
Harmon Fire Upgrades	15298	22,236	22,355	(119)
Uniform Equipment Upgrades	15299	140,862	141,136	(274)
Computers and Software Upgrade	15300	25,500	18,402	7,098
Modular Building	15301	61,200	600	60,600
LED Lights	15302	51,000	22,583	28,417
Police Vehicles	15303	61,200	62,109	(909)
Fingerprint Upgrade	15304	18,360	18,343	17
Shed	15305	20,400	200	20,200
Recreation Vehicle	15307	25,500	21,239	4,261
General Road Repairs	16311	214,742	151,235	63,507
Sidewalks and Curbs	16312	102,000	48,630	53,370
Stormwater Infrastructure	16313	204,000	72,457	131,543
Replace Damaged Pole - Municipal Building	16314	4,823	5,130	(307)
4x4 Pickup (2)	16315	38,760	38,943	(183)
Low Boy Dump Truck	16316	107,100	64,202	42,898
Rescue 18 Replacement	16318	680,000	682,441	(2,441)
Thermal Imaging Camera	16319	8,160	8,140	20
Municipal Building Gas Burner	16320	130,299	60,288	70,011
Integrated Multi-Channel DVS	16321	12,240	11,869	371
Police Vehicle 4WD	16322	38,760	38,771	(11)
Sunset Park/Placeground Equipment and Surface	16323	188,700	173,806	14,894
Commercial Lawn Tractor	16325	13,260	13,339	(79)
Bridge/Culvert Replacement	16326	561,000	64,542	496,458
Elliot Way Main Extension	16327	102,000	492	101,508
Valve Replacement	16328	102,000	100,492	1,508
Manager's Vehicle	16333	30,600	26,482	4,118
Sidewalks and Curbs	17334	102,000	2,672	99,328
DPW Vehicles 2016/17	17335	127,600	127,773	(173)
Records Management Software	17338	23,000	22,406	594
Totals		<u>\$ 32,602,423</u>	<u>\$ 24,118,996</u>	<u>\$ 8,483,427</u>

See independent auditors' report.

Proceeds of Obligations	Total Revenues	Fund Balance (Deficit) at May 31, 2017	Bond Anticipation Notes Out- standing at May 31, 2017
\$ 15,300	\$ 15,300	\$ 15,026	\$ -
-	5,100	(4,496)	5,100
-	7,650	(8,011)	7,650
-	33,660	(33,667)	33,660
2,800,000	2,800,000	55,365	-
81,600	81,600	39,023	-
51,000	51,000	32,903	-
-	9,180	(5,249)	9,180
102,000	267,146	1,117	-
102,000	102,000	7,935	-
127,500	127,500	23,948	-
510,000	510,000	504,912	-
76,500	76,500	7,979	-
-	4,080	(5,413)	6,120
-	5,712	(5,052)	8,568
-	10,200	(13,053)	15,300
45,645	45,645	45,133	-
-	2,774	(3,971)	4,161
-	18,646	(8,024)	27,969
51,000	51,000	43,586	-
-	8,894	(13,461)	13,341
-	43,116	(98,020)	97,746
-	10,200	(8,202)	15,300
61,200	61,200	60,600	-
51,000	51,000	28,417	-
-	24,480	(37,629)	36,720
-	7,344	(10,999)	11,016
20,400	20,400	20,200	-
-	10,200	(11,039)	15,300
102,000	214,742	63,507	-
102,000	102,000	53,370	-
204,000	204,000	131,543	-
-	1,559	(3,571)	3,264
-	7,752	(31,191)	31,008
107,100	107,100	42,898	-
680,000	680,000	(2,441)	-
-	1,632	(6,508)	6,528
117,300	130,299	70,011	-
-	2,448	(9,421)	9,792
-	7,752	(31,019)	31,008
188,700	188,700	14,894	-
-	2,652	(10,687)	10,608
561,000	561,000	496,458	-
102,000	102,000	101,508	-
102,000	102,000	1,508	-
-	6,120	(20,362)	24,480
102,000	102,000	99,328	-
-	-	(127,773)	130,151
-	-	(22,406)	23,460
<u>\$ 28,013,347</u>	<u>\$ 30,377,160</u>	<u>\$ 6,258,164</u>	<u>\$ 660,068</u>

Village of Croton-on-Hudson, New York

Non-Major Governmental Funds

Combining Balance Sheet

May 31, 2017

(With Comparative Totals for 2016)

			Total Non-Major Governmental Funds	
	Special Purpose	Sewer	2017	2016
<b>ASSETS</b>				
Cash and equivalents	\$ 908,198	\$ 32,229	\$ 940,427	\$ 1,066,519
Receivables				
Sewer rents	-	109,460	109,460	94,756
Due from other funds	-	98,716	98,716	77,877
	-	208,176	208,176	172,633
Total Assets	\$ 908,198	\$ 240,405	\$ 1,148,603	\$ 1,239,152
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Accounts payable	\$ -	\$ 5,153	\$ 5,153	\$ 6,368
Due to other funds	75,207	235,252	310,459	153,050
Advances from other funds	-	199,205	199,205	267,032
Total Liabilities	75,207	439,610	514,817	426,450
Fund balances (deficits)				
Restricted	832,991	-	832,991	1,079,734
Unassigned	-	(199,205)	(199,205)	(267,032)
Total Fund Balances (Deficits)	832,991	(199,205)	633,786	812,702
Total Liabilities and Fund Balances (Deficits)	\$ 908,198	\$ 240,405	\$ 1,148,603	\$ 1,239,152

**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, 2017**

**(With Comparative Totals for 2016)**

			Total Non-Major Governmental Funds	
	Special Purpose	Sewer	2017	2016
<b>REVENUES</b>				
Departmental income	\$ -	\$ 305,859	\$ 305,859	\$ 229,069
Use of money and property	4,428	-	4,428	1,192
Miscellaneous	9,000	-	9,000	1,000,480
Total Revenues	13,428	305,859	319,287	1,230,741
<b>EXPENDITURES</b>				
Current				
General government support	-	18,925	18,925	23,901
Culture and recreation	260,171	-	260,171	7,200
Home and community services	-	102,848	102,848	131,560
Employee benefits	-	7,604	7,604	6,174
Total Expenditures	260,171	129,377	389,548	168,835
Excess (Deficiency) of Revenues Over Expenditures	(246,743)	176,482	(70,261)	1,061,906
<b>OTHER FINANCING USES</b>				
Transfers out	-	(108,655)	(108,655)	(108,026)
Net Change in Fund Balances	(246,743)	67,827	(178,916)	953,880
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	1,079,734	(267,032)	812,702	(141,178)
End of Year	\$ 832,991	\$ (199,205)	\$ 633,786	\$ 812,702

Village of Croton-on-Hudson, New York

Special Purpose Fund  
Comparative Balance Sheet  
May 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 908,198	\$ 1,010,164
Due from other funds	<u>-</u>	<u>69,570</u>
Total Assets	<u>\$ 908,198</u>	<u>\$ 1,079,734</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	\$ 75,207	\$ -
Fund Balance		
Restricted	<u>832,991</u>	<u>1,079,734</u>
Total Liabilities and Fund Balance	<u>\$ 908,198</u>	<u>\$ 1,079,734</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>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Use of money and property	\$ 4,428	\$ 1,192
Miscellaneous	<u>9,000</u>	<u>1,000,480</u>
Total Revenues	13,428	1,001,672
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>260,171</u>	<u>7,200</u>
Excess (Deficiency) of Revenues Over Expenditures	(246,743)	994,472
<b>FUND BALANCE</b>		
Beginning of Year	<u>1,079,734</u>	<u>85,262</u>
End of Year	<u>\$ 832,991</u>	<u>\$ 1,079,734</u>

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Village of Croton-on-Hudson, New York

Sewer Fund  
Comparative Balance Sheet  
May 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 32,229</u>	<u>\$ 56,355</u>
Receivables		
Sewer rents	109,460	94,756
Due from other funds	<u>98,716</u>	<u>8,307</u>
	<u>208,176</u>	<u>103,063</u>
Total Assets	<u><u>\$ 240,405</u></u>	<u><u>\$ 159,418</u></u>
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 5,153	\$ 6,368
Due to other funds	235,252	153,050
Advances from other funds	<u>199,205</u>	<u>267,032</u>
Total Liabilities	439,610	426,450
Fund deficit		
Unassigned	<u>(199,205)</u>	<u>(267,032)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 240,405</u></u>	<u><u>\$ 159,418</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,

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 236,132	\$ 236,132	\$ 305,859	\$ 69,727
<b>EXPENDITURES</b>				
Current				
General government support	26,732	20,069	18,925	1,144
Home and community services	100,598	122,040	102,848	19,192
Employee benefits	1,212	7,800	7,604	196
Total Expenditures	128,542	149,909	129,377	20,532
Excess of Revenues Over Expenditures	107,590	86,223	176,482	90,259
<b>OTHER FINANCING USES</b>				
Transfers out	(108,655)	(108,655)	(108,655)	-
Net Change in Fund Balance	(1,065)	(22,432)	67,827	90,259
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	1,065	22,432	(267,032)	(289,464)
End of Year	\$ -	\$ -	\$ (199,205)	\$ (199,205)

See independent auditors' report.

2016

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>\$ 262,291</u>	<u>\$ 262,291</u>	<u>\$ 229,069</u>	<u>\$ (33,222)</u>
29,280	24,913	23,901	1,012
128,887	132,887	131,560	1,327
<u>5,918</u>	<u>6,285</u>	<u>6,174</u>	<u>111</u>
<u>164,085</u>	<u>164,085</u>	<u>161,635</u>	<u>2,450</u>
98,206	98,206	67,434	(30,772)
<u>(108,026)</u>	<u>(108,026)</u>	<u>(108,026)</u>	<u>-</u>
(9,820)	(9,820)	(40,592)	(30,772)
<u>9,820</u>	<u>9,820</u>	<u>(226,440)</u>	<u>(236,260)</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (267,032)</u></u>	<u><u>\$ (267,032)</u></u>

Village of Croton-on-Hudson, New York

Sewer Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Auditor	\$ 2,495	\$ 2,580	\$ 2,580	\$ -	\$ 1,544
Central communications	12,218	9,381	8,238	1,143	15,066
Unallocated insurance	3,019	3,115	3,114	1	3,030
Taxes and assessments on property	4,000	4,993	4,993	-	4,261
Contingent account	5,000	-	-	-	-
	<u>26,732</u>	<u>20,069</u>	<u>18,925</u>	<u>1,144</u>	<u>23,901</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Sanitary sewers	<u>100,598</u>	<u>122,040</u>	<u>102,848</u>	<u>19,192</u>	<u>131,560</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	-	5,000	4,898	102	3,388
Social security	383	1,971	1,970	1	2,050
Workers' compensation benefits	<u>829</u>	<u>829</u>	<u>736</u>	<u>93</u>	<u>736</u>
	<u>1,212</u>	<u>7,800</u>	<u>7,604</u>	<u>196</u>	<u>6,174</u>
<b>TOTAL EXPENDITURES</b>	<u>128,542</u>	<u>149,909</u>	<u>129,377</u>	<u>20,532</u>	<u>161,635</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Debt Service Fund	<u>108,655</u>	<u>108,655</u>	<u>108,655</u>	<u>-</u>	<u>108,026</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 237,197</u>	<u>\$ 258,564</u>	<u>\$ 238,032</u>	<u>\$ 20,532</u>	<u>\$ 269,661</u>

See independent auditors' report.