

VILLAGE OF BRIARCLIFF MANOR, NEW YORK

***FINANCIAL STATEMENTS
MAY 31, 2017***

VILLAGE OF BRIARCLIFF MANOR
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INDEPENDENT AUDITORS' REPORT

To the Mayor and Board of Trustees of
The Village of Briarcliff Manor
Briarcliff Manor, New York

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Briarcliff Manor, New York, as of and for the year ended May 31, 2017, which collectively comprise the Village's basic financial statements as listed in the table of contents, and the notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and 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 that we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified 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 of Briarcliff Manor, New York, as of May 31, 2017, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, on pages 4 through 9 and 52 through 58, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Briarcliff Manor, New York's financial statements as a whole. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

The prior year summarized comparative information has been derived from the Village's May 31, 2016 financial statements and, in a report by other auditors dated September 2, 2016, they expressed an unmodified opinion on those financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2017, on our consideration of the Village of Briarcliff Manor, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Briarcliff Manor, New York's internal control over financial reporting and compliance.

A handwritten signature in dark ink, appearing to read "Cooper Arias LLP". The signature is written in a cursive, flowing style.

Mongaup Valley, New York
November 6, 2017

Village of Briarcliff Manor, New York

Management's Discussion and Analysis (MD&A) May 31, 2017

Introduction

As management of the Village of Briarcliff Manor, 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.

Comparative Financial Highlights

At the close of **fiscal year 2016**, the total assets of the Village exceeded its total liabilities by \$10,052,048 and the Village's governmental funds reported combined ending fund balances of \$9,096,449.

At the conclusion of **fiscal year 2017**, total assets exceeded total liabilities by \$21,072,754 and the Village's governmental funds reported combined ending fund balances of \$ 9,895,881.

Unassigned fund balance for the General Fund of \$2,093,619 in FY 2016 increased to \$3,042,948 at the close of FY 2017. This amount represents 15.91% of total General Fund expenditures and other financing uses; an increase from 12.99% in 2016. The net change in total Fund Balance for the General Fund increased by \$1,249,839.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in 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 how the Village's net position changed during the most recent fiscal year. All changes in net position 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 only result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

The governmental activities of the Village include general government support, public safety, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains six individual governmental funds: the General Fund, Water Fund, Debt Service Fund, Capital Projects Fund, Public Library Fund, and Special Purpose Fund.

The Village adopts annual budgets for the General, Water, Debt Service and Public Library Funds. Budgetary comparison statements have been provided for the General and Water Funds within the basic financial statements to demonstrate compliance with their respective budgets, since they are classified as major Funds.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Village programs. The Village maintains two types of fiduciary funds that are known as the Agency Fund and the Pension Trust Fund. The Village holds resources in the Agency Fund purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization, or government. The Pension Trust Fund is utilized to account for the Village's Fire Service Award Program.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include individual fund financial statements 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 a government's financial position. For the Village, assets exceeded liabilities by \$21,072,754 at the close of the most recent fiscal year. A portion of the Village's net position is its investment in capital assets (land, buildings and improvements, machinery and equipment and infrastructure and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Village's investments 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 the debt.

	May 31,	
	2017	2016
Current Assets	\$ 13,466,721	\$ 12,118,054
Mitigation Receivable	7,581,490	-
Capital Assets, net	55,651,604	53,852,547
Total Assets	76,699,815	65,970,601
Deferred Outflows of Resources	2,712,440	5,030,996
Current Liabilities	3,762,244	3,230,779
Long-Term Liabilities	54,057,553	57,097,507
Total Liabilities	57,819,797	60,328,286
Deferred Outflows of Resources	519,704	621,263
Net Position		
Net Investment in Capital		
Assets	17,705,577	16,213,619
Restricted	-	5,603,562
Unrestricted	3,367,177	(11,765,133)
Total Net Position	\$ 21,072,754	\$ 10,052,048

The largest portion of net position is the Village's net investment in Capital Assets.

Changes in Net Position

	May 31,	
	2017	2016
REVENUES		
Program Revenues		
Charges for Services	\$ 8,979,610	\$ 7,640,052
Operating Grants and Contributions	339,266	354,281
Capital Grants and Contributions	2,500,000	1,519,991
General Revenues		
Real Property Taxes	10,737,624	10,634,945
Other Tax Items	42,937	48,735
Non-Property Taxes	1,511,988	1,512,703
Unrestricted Use of Money and Property	20,505	977
Sale of Property and Compensation for Loss	2,347,109	437,579
Unrestricted State Aid	361,851	255,559
Miscellaneous	203,924	117,603
Total Revenues	<u>27,044,814</u>	<u>22,522,425</u>
PROGRAM EXPENSES		
General Government Support	3,515,704	3,668,730
Public Safety	6,180,477	5,590,044
Health	369,029	299,733
Transportation	2,210,159	2,184,935
Culture and Recreation	2,455,733	2,547,686
Home and Community Services	6,668,391	6,972,882
Interest	1,571,024	1,205,782
Special Items: Pavilion Reconstruction	<u>2,002,892</u>	<u>390,296</u>
Total Expenses	<u>24,973,409</u>	<u>22,860,088</u>
Change in Net Position	2,071,405	(337,663)
Net Position - Beginning of Year	10,052,048	13,486,491
Prior Period Adjustment	8,949,301	(2,939,147)
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(157,633)</u>
Net Position - Ending	<u><u>\$ 21,072,754</u></u>	<u><u>\$ 10,052,048</u></u>

Governmental Activities

For the fiscal year ended May 31, 2017, revenues from governmental activities totaled \$27,044,814. Tax revenues comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (45.45% or \$12,292,549).

The largest components of governmental expenses are home & community services (\$6,668,391), public safety (\$6,180,477), and general government support (\$3,515,704).

Financial Analysis of the Village's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Village's fiscal period ending May 31, 2012. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: Non-spendable, restricted, committed, assigned and unassigned which are defined below.

Non-spendable – consists of assets that are inherently non-spendable 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.

Governmental Funds

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 spending at the end of the fiscal year. As of the end of the current fiscal year, the Village's governmental funds reported combined ending *fund balances* of \$9,895,881.

Of the Assigned fund balance, \$366,135 has been designated to support the subsequent year's General Fund budget. There are also Non-spendable and Restricted portions of fund balance within each fund that are not available for new spending, having already been committed for prepaid expenditures, capital projects, future capital projects, debt service, and special purposes.

The General Fund is the primary operating fund of the Village. At the end of FY 2016, the unassigned fund balance of the General Fund was \$2,093,619. At the end of the current fiscal year, the unassigned fund balance was \$3,042,948, representing 86.19% of the total General Fund balance of \$3,530,401.

General Fund Budgetary Highlights

The net change in total General Fund balance was \$1,112,839. Actual revenues, some of which exceeded projections are as follows: State Aid \$125,831 and Sale of Property and Compensation For Loss \$82,127. Actual expenditures and other financing uses were \$981,721 less than the revised budget.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2017, net of accumulated depreciation, was \$55,651,604. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

Major capital assets activity at the end of the fiscal year included the following:

	Capital Assets	
	May 31,	
	2017	2016
Asset:		
Land	\$ 855,947	\$ 855,947
Buildings and improvements	21,271,179	20,840,089
Infrastructure	47,524,642	47,524,642
Machinery and equipment	13,184,210	11,722,763
Construction-in-Progress	9,497,202	6,304,768
Less - accumulated depreciation	(36,681,576)	(33,395,662)
Total (Net of Depreciation)	<u>\$ 55,651,604</u>	<u>\$ 53,852,547</u>

Depreciation expense for the year ended May 31, 2017 was \$3,285,914.

Debt

As of May 31, 2017, the Village had \$39,670,000 in outstanding bonds, \$131,048 in unamortized bond premiums, \$1,728,296 in outstanding bond anticipation notes and \$30,597 in outstanding installment purchase debt. The Village paid \$1,147,635 in interest throughout the year.

Requests for Information

This financial report has been prepared by the Village Treasurer and is designed to provide a general overview of the Village of Briarcliff Manor, New York's finances for persons interested in these matters. Questions and comments concerning any of the financial information provided in this report should be addressed to Edward Ritter, Village Treasurer, Village of Briarcliff Manor, 1111 Pleasantville Road, Briarcliff Manor, New York 10510.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
STATEMENT OF NET POSITION
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets:		
Cash	\$ 10,100,708	\$ 10,628,701
Taxes Receivable	85,793	40,744
Accounts Receivable	1,102,123	388,393
Billings Receivable	1,139,632	509,781
Due From State And Federal	-	1,713
Due From Other Governments	824,729	447,635
Due From Other Funds	72,100	-
Prepaid Expenses	<u>141,636</u>	<u>101,087</u>
Total Current Assets	<u>13,466,721</u>	<u>12,118,054</u>
Non-Current Assets		
Mitigation Receivable:		
Due Within One Year	583,192	-
Due Beyond One Year	6,998,298	-
Capital Assets, Net	<u>55,651,604</u>	<u>53,852,547</u>
Total Non-Current Assets	<u>63,233,094</u>	<u>53,852,547</u>
TOTAL ASSETS	<u>76,699,815</u>	<u>65,970,601</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	2,370,103	4,637,243
Deferred Charge on Refunding, net	<u>342,337</u>	<u>393,753</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,712,440</u>	<u>5,030,996</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
STATEMENT OF NET POSITION
MAY 31,

(Continued)

	<u>2017</u>	<u>2016</u>
LIABILITIES		
Accounts Payable	\$ 746,089	\$ 1,080,518
Accrued Liabilities	486,135	426,559
BAN Payable	1,728,296	816,000
Due To Other Governments	192,768	-
Due To Other Funds	1,003	-
Due To ERS	216,689	384,507
Unearned Revenues	391,264	523,195
Non-Current Liabilities:		
Due Within One Year		
Bonds Payable	2,810,000	2,772,452
Unamortized Bond Premium	17,178	-
Installment Purchase Debt	27,785	-
Judgments And Claims	40,000	40,000
Net OPEB Obligation	725,000	-
Compensated Absences	-	48,000
Due Beyond One Year		
Bonds Payable	36,860,000	39,662,548
Unamortized Bond Premium	113,870	148,226
Installment Purchase Debt	2,812	-
Compensated Absences	482,898	433,300
Judgments And Claims	800,000	840,000
Net OPEB Obligation	9,375,000	8,680,000
Net Pension Liability	<u>2,803,010</u>	<u>4,472,981</u>
TOTAL LIABILITIES	<u>57,819,797</u>	<u>60,328,286</u>
DEFERRED INFLOWS OF RESOURCES		
Pensions	<u>519,704</u>	<u>621,263</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>519,704</u>	<u>621,263</u>
NET POSITION		
Net Investment In Capital Assets	17,705,577	16,213,619
Restricted	-	5,603,562
Unrestricted	<u>3,367,177</u>	<u>(11,765,133)</u>
TOTAL NET POSITION	<u>\$ 21,072,754</u>	<u>\$ 10,052,048</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2016)

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	2017 TOTAL	2016 TOTAL
GOVERNMENTAL ACTIVITIES:						
General Government Support	\$ 3,515,704	\$ 432,821	\$ -	\$ -	\$ (3,082,883)	\$ (3,349,158)
Public Safety	6,180,477	1,783,005	-	-	(4,397,472)	(5,153,254)
Health	369,029	3,822	-	-	(365,207)	(299,733)
Transportation	2,210,159	411,170	241,403	-	(1,557,586)	(1,533,724)
Culture And Recreation	2,455,733	728,928	97,863	-	(1,628,942)	(1,735,261)
Home And Community Services	6,668,391	5,619,864	-	2,500,000	1,451,473	321,288
Debt Service	1,571,024	-	-	-	(1,571,024)	(1,205,626)
TOTAL GOVERNMENTAL ACTIVITIES	22,970,517	8,979,610	339,266	2,500,000	(11,151,641)	(12,955,468)
GENERAL REVENUES						
Real Property Taxes					10,737,624	10,634,945
Other Tax Items					42,937	48,735
Non-Property Tax Items					1,511,988	1,512,703
Investment Earnings					20,505	977
Sale Of Property And Compensation For Loss					168,810	7,475
Insurance Recoveries					2,178,299	430,104
Miscellaneous Local Sources					203,924	117,603
State Aid					361,851	255,559
TOTAL GENERAL REVENUES					15,225,938	13,008,101

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2016)

	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
			2017 TOTAL	2016 TOTAL
SPECIAL ITEMS				
Pavilion Reconstruction			\$ (2,002,892)	\$ (390,296)
TOTAL SPECIAL ITEMS			(2,002,892)	(390,296)
TOTAL GENERAL REVENUES AND SPECIAL ITEMS			13,223,046	12,617,805
CHANGES IN NET POSITION			2,071,405	(337,663)
TOTAL NET POSITION – Beginning of Year (Restated)			19,001,349	10,389,711
TOTAL NET POSITION – End of Year			\$ 21,072,754	\$ 10,052,048

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR MAY 31, 2016)

ASSETS	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2016 TOTAL
Cash	\$ 2,573,340	\$ 1,910,490	\$ 1,739,834	\$ 3,852,023	\$ 25,021	\$ 10,100,708	\$ 10,628,701
Taxes Receivable	85,793	-	-	-	-	85,793	40,744
Billings Receivable	-	1,139,632	-	-	-	1,139,632	509,781
Accounts Receivable	1,089,292	-	-	-	12,831	1,102,123	388,393
Due From Other Funds	635,920	-	-	404,052	117,405	1,168,030	459,522
Due From State And Federal	-	-	10,653	-	-	-	1,713
Due From Other Governments	631,101	193,628	-	-	-	824,729	447,635
Prepaid Expenditures	121,318	20,318	-	-	-	141,636	101,087
TOTAL ASSETS	<u>\$ 5,136,764</u>	<u>\$ 3,264,068</u>	<u>\$ 1,750,487</u>	<u>\$ 4,256,075</u>	<u>\$ 155,257</u>	<u>\$ 14,562,651</u>	<u>\$ 12,577,576</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR MAY 31, 2016)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2016 TOTAL
LIABILITIES							
Accounts Payable	\$ 274,638	\$ 112,452	\$ -	\$ 342,373	\$ 16,626	\$ 746,089	\$ 1,080,518
Accrued Liabilities	162,392	84,431	-	-	-	246,823	186,398
Bond Anticipation Notes	-	-	-	1,728,296	-	1,728,296	816,000
Due To Other Funds	450,460	2,862	-	642,125	1,486	1,096,933	459,522
Due To Other Governments	97,012	95,756	-	-	-	192,768	-
Due To ERS	182,689	26,500	-	-	7,500	216,689	384,507
Unearned Revenues	391,264	-	-	-	-	391,264	523,195
TOTAL LIABILITIES	1,558,455	322,001	-	2,712,794	25,612	4,618,862	3,450,140
DEFERRED INFLOWS OF RESOURCES							
Deferred Taxes Receivable	47,908	-	-	-	-	47,908	30,987
TOTAL DEFERRED INFLOWS OF RESOURCES	47,908	-	-	-	-	47,908	30,987
FUND BALANCE							
Non-Spendable:							
Prepaid Items	121,318	20,318	-	-	-	141,636	101,087
Restricted:							
Encumbrances	-	29,973	-	-	-	29,973	-
Assigned:							
Encumbrances	366,135	-	-	-	-	366,135	87,006
Appropriated	-	-	50,000	-	-	50,000	50,000
Unappropriated	-	2,891,776	1,700,487	1,543,281	129,645	6,265,189	6,772,669
Unassigned	3,042,948	-	-	-	-	3,042,948	2,085,687
TOTAL FUND BALANCE	3,530,401	2,942,067	1,750,487	1,543,281	129,645	9,895,881	9,096,449
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 5,136,764	\$ 3,264,068	\$ 1,750,487	\$ 4,256,075	\$ 155,257	\$ 14,562,651	\$ 12,577,576

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET WITH THE STATEMENT OF NET POSITION
MAY 31, 2017
(WITH COMPARATIVE NET FIGURES FOR MAY 31, 2016)

	<u>2017</u>	<u>2016</u>
Total Fund Balance – Governmental Funds	\$ 9,895,881	\$ 9,096,449

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 governmental funds. The cost of capital assets and accumulated depreciation at May 31, 2017 are \$92,333,180 and \$36,681,576 respectively.

	55,651,604	53,852,547
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds Payable	(39,670,000)		
Unamortized Bond Premium	(131,048)		
Installment Purchase Debt	(30,597)		
Compensated Absences	(482,898)		
Judgments and Claims	(840,000)		
Net OPEB Obligation	<u>(10,100,000)</u>	(51,254,543)	(52,624,526)

Proportionate share of long-term asset and liability associated with participation in State Retirement Systems are not current financial resources or obligations and are not reported in the governmental funds.

Deferred Outflows of Resources	2,370,103		
Net Pension Liability	(2,803,010)		
Deferred Inflows of Resources	<u>(519,704)</u>	(952,611)	(457,001)

In the governmental funds, taxes receivable are offset by a deferred revenue representing the taxes that will not be collected in the first sixty days of the subsequent year. In the statement of net position, the receivable is fully recognized regardless of when the money will be received.

	47,908	30,987
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SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET WITH THE STATEMENT OF NET POSITION
MAY 31, 2017
(WITH COMPARATIVE NET FIGURES FOR MAY 31, 2016)

(Continued)

	<u>2017</u>	<u>2016</u>
In the governmental funds, interest expense is not reported until due. In the statement of net position, accrued interest on debt is reported, regardless of when due.	\$ (239,312)	\$ (240,161)
Refunding bond issuance costs are reported in the governmental funds as expenditures when paid. In the statement of net position, the costs in excess of refunded debt are capitalized and amortized over the life of the bonds. Deferred refunding bond costs and accumulated amortization at May 31, 2017 are \$594,122 and \$251,785, respectively.	342,337	393,753
Long term receivables are not due in the current period and therefore, are not reported in the governmental funds.		
Mitigation Receivable	<u>7,581,490</u>	<u>-</u>
Net Position of Governmental Activities	<u>\$ 21,072,754</u>	<u>\$ 10,052,048</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2016)

	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2016 TOTAL
REVENUES							
Real Property Taxes	\$ 10,720,703	\$ -	\$ -	\$ -	\$ -	\$ 10,720,703	\$ 10,646,240
Other Tax Items	42,937	-	-	-	-	42,937	48,735
Non-Property Tax Items	1,511,988	-	-	-	-	1,511,988	1,512,703
Departmental Income	1,237,532	5,391,460	-	-	9,482	6,638,474	6,867,342
Intergovernmental Charges	221,690	193,628	-	-	-	415,318	-
Use Of Money And Property	243,400	2,623	-	11,270	3,022	260,315	221,073
Licenses And Permits	1,542,457	-	-	-	-	1,542,457	450,960
Fines And Forfeitures	143,552	-	-	-	-	143,552	102,236
Sale Of Property And Compensation	99,127	-	-	50,000	-	168,810	9,155
For Loss	171,080	19,683	-	11,471	96,114	3,381,559	1,588,966
Miscellaneous Local Sources	593,167	10,552	3,092,342	11,225	2,282	606,674	606,199
Slate Aid	-	-	-	-	-	-	50,007
Federal Aid	-	-	-	-	-	-	-
TOTAL REVENUES	<u>16,527,633</u>	<u>5,617,946</u>	<u>3,092,342</u>	<u>83,966</u>	<u>110,900</u>	<u>25,432,787</u>	<u>22,103,616</u>
EXPENDITURES							
General Government Support	2,592,636	314,633	-	-	29,443	2,936,712	3,022,440
Public Safety	5,288,850	-	-	-	-	5,288,850	4,928,094
Health	179,306	-	-	-	-	179,306	163,359
Transportation	1,884,567	-	-	-	-	1,884,567	1,675,137
Culture And Recreation	1,661,358	-	-	-	538,715	2,200,073	2,257,680
Home And Community Service	1,577,833	2,907,766	-	-	-	4,485,599	4,538,828
Debt Service:							
Principal	868,749	-	2,765,000	-	-	3,633,749	2,868,100
Interest	11,869	-	1,135,766	-	-	1,147,635	1,290,517
Capital Outlay	-	-	-	4,736,235	-	4,736,235	5,167,157
TOTAL EXPENDITURES	<u>14,065,168</u>	<u>3,222,399</u>	<u>3,900,766</u>	<u>4,736,235</u>	<u>568,158</u>	<u>26,492,726</u>	<u>25,910,312</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2016)

(CONTINUED)

	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2016 TOTAL
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,462,465	\$ 2,395,547	\$ (808,424)	\$ (4,652,269)	\$ (457,258)	\$ (1,059,939)	\$ (3,806,696)
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	1,531,222	433,033	3,900,766	836,407	594,835	7,296,263	7,330,676
Operating Transfers Out	(3,056,255)	(2,632,254)	(1,607,755)	-	-	(7,296,264)	(7,330,676)
Insurance Recoveries	2,178,299	-	-	-	-	2,178,299	430,104
BAN's Redeemed From Appropriation	-	-	-	816,000	-	816,000	-
TOTAL OTHER FINANCING SOURCES (USES)	653,266	(2,199,221)	2,293,011	1,652,407	594,835	2,994,298	430,104
SPECIAL ITEMS							
Pavilion Reconstruction	(2,002,892)	-	-	-	-	(2,002,892)	(390,296)
TOTAL SPECIAL ITEMS	(2,002,892)	-	-	-	-	(2,002,892)	(390,296)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES, OTHER USES AND SPECIAL ITEMS	1,112,839	196,326	1,484,587	(2,999,862)	137,577	(68,533)	(3,766,888)
FUND BALANCE - Beginning Of Year (Restated)	2,417,562	2,745,741	265,900	4,543,143	(7,932)	9,964,414	12,863,337
FUND BALANCE - End Of Year	\$ 3,530,401	\$ 2,942,067	\$ 1,750,487	\$ 1,543,281	\$ 129,645	\$ 9,895,881	\$ 9,096,449

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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
(WITH COMPARATIVE NET FIGURES FOR THE YEAR ENDED MAY 31, 2016)

	<u>2017</u>	<u>2016</u>
Total Net Change in Fund Balances – Governmental Funds	\$ (68,533)	\$ (3,766,888)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.		
Depreciation Expenses	(3,285,914)	
Capital Outlay	<u>5,119,911</u>	1,833,997
		2,080,831
Repayments of principal on long term debt are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and is not reported in the statement of activities.		
Serial Bonds	2,765,000	
Installment Purchase Debt	<u>52,749</u>	2,817,749
		2,868,100
(Increases) decreases in proportionate share of net pension asset/liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.		
Employees' Retirement System	(244,582)	
Police And Fire Retirement System	<u>(251,028)</u>	(495,610)
		(299,368)
In the statement of activities, long-term liabilities are reported when the liability is incurred regardless of when the payments are due. In the governmental funds, expenditures for these items are reported by the amount of financial resources used (paid).		
Judgments And Claims	40,000	
Compensated Absences	(1,598)	
Net OPEB Obligation	<u>(1,420,000)</u>	(1,381,598)
		(1,293,778)
In the governmental funds, taxes receivable are only recognized as an asset in the amount that will be received in the first sixty days of the subsequent year. In the statement of activities, the full amount is recognized as an asset. Therefore, current year tax revenues are adjusted for amounts that were accrued and recognized in past years.		
	16,921	(11,295)

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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
(WITH COMPARATIVE NET FIGURES FOR THE YEAR ENDED MAY 31, 2016)

(Continued)

		<u>2017</u>	<u>2016</u>
Gross proceeds from the sale of fixed assets are reported as revenue in the governmental funds. In the statement of activities the proceeds are reduced by the net book value of the disposed assets.		\$ (34,940)	\$ -
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.			
Current Year Accrued Interest	(239,312)		
Prior Year Accrued Interest	<u>240,161</u>	849	110,523
Bond premiums are reported in the governmental funds as revenues in the year received. However, in the statement of activities, the premium is added to the outstanding debt and amortized as a reduction of interest expense over the life of the bond.			
Amortization Expense		17,178	25,628
Refunding bond issuance costs are reported in the governmental funds as expenditures in the year the bonds are refunded. However, on the statement of activities, the costs in excess of the refunded debt are capitalized and amortized over the life of the bonds.			
Amortization Expense		(51,416)	(51,416)
Annual payments on long term notes receivable are revenues in the governmental funds, but the payments reduce the receivable in the statement of net position.		<u>(583,192)</u>	<u>-</u>
Change in Net Position of Governmental Activities		<u>\$ 2,071,405</u>	<u>\$ (337,663)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
MAY 31, 2017

	AGENCY FUND	PENSION TRUST
ASSETS		
Cash And Cash Equivalents	\$ 204,725	\$ -
Service Award Program Assets	-	1,329,077
Due From Other Funds	<u>1,003</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 205,728</u>	<u>1,329,077</u>
LIABILITIES		
Agency Liabilities	\$ 133,628	-
Due To Other Funds	<u>72,100</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 205,728</u>	<u>-</u>
NET POSITION		
Held In Trust For Pension Benefits		<u>1,329,077</u>
TOTAL NET POSITION		<u>\$ 1,329,077</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR
STATEMENT OF CHANGES IN PLAN NET POSITION
PENSION TRUST FUND
MAY 31, 2017

REVENUES	
Interest Income	\$ 20,181
Pension Contributions	-
Unrealized Gain On Investments	<u>117,951</u>
TOTAL REVENUES	<u>138,132</u>
EXPENSES	
Pension Benefits	<u>48,371</u>
TOTAL EXPENSES	<u>48,371</u>
Change In Plan Net Position	89,761
Beginning Net Position	<u>1,239,316</u>
Ending Net Position	<u>\$ 1,329,077</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Briarcliff Manor, New York, was incorporated in December 1902 and operates in accordance with Village Law and 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 assistance and opportunity, culture and recreation, home and community services and general administrative support.

The fund financial statements of the Village of Briarcliff Manor, New York, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to government units. 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 policies:

A. Financial Reporting Entity

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 within the reporting entity was made by applying the criteria set forth in generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the Village and/or its citizens, or whether the activity is conducted within the geographic boundaries of the Village and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion is whether the Village is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no other entities which could be considered for possible inclusion of the financial statements.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis Of Presentation

1. Village-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the Village as a whole. These statements include the financial activities of the overall Village, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants. Business type activities are financed by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operation or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund financial statements:

The fund statements provide information about the Village's funds, including fiduciary funds. Separate statements for each fund category (governmental, proprietary and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds each displayed in a separate column.

The Village reports the following major Governmental Funds:

- a. General Fund – The General Fund is the principal operating fund of the Village and is used to account for all financial resources except those required to be accounted for in another fund.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- b. Special Revenue Funds – used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The major special revenue funds of the Village are as follows:

Water Fund – used to account for transactions of the water utility operations of the Village.

Debt Service Fund – used to account for the accumulation of resources and the payment of principal and interest on outstanding debt.

- c. Capital Projects Fund – used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The Village reports the following non-major Governmental Funds:

- a. Special Revenue Funds – used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The non-major special revenue funds of the Village are as follows:

Library Fund – used to account for the activities of the Village’s public library.

Miscellaneous Special Revenue Fund – used to account for revenues to be used for specific purposes.

Additionally, the Village reports the following fund type:

- a. Fiduciary Fund

This fund is used to account for fiduciary activities. Fiduciary activities are those in which the Village acts as trustee or agent for resources that belong to others. These activities are not included in the Village-wide financial statements, because their resources do not belong to the Village, and are not available to be used.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Trust Fund

This fund is used to account for the activities of the Village's Service Award Program.

Agency Fund

These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the Village for payroll or employee withholding and for amounts being held in escrow.

C. Basis of Accounting/Measurement Focus

The Village-wide, Proprietary and Fiduciary Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place.

Non-exchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if the revenues are collected within one year after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financial sources.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Data

1. Budget Policies

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

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 them.

- a) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- b) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- c) All modifications of the budget must be approved by the Board of Trustees
- d) Budgets for the General, Water, Library and Debt service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project by project basis.

2. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is employed as an extension of formal budgetary integration in the governmental funds. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund, since they do not constitute expenditures or liabilities and will be honored through budgetary appropriations in the subsequent year. Encumbrances are reported as assigned fund balance in the General Fund.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America.

E. Property Taxes

Property taxes attach as an enforceable lien on real property as of June 1st, and are levied and payable in two installments in June and December. The Village has the responsibility for the billing and collection of its own taxes.

F. Post Employment Benefits

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees. Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. The cost of providing post-retirement benefits is shared between the Village and the retired employee. The Village recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the year paid. In the Proprietary Funds and the Village-wide statements, the liability is reported at actuarially calculated amounts (See Note 10).

G. Real Property Tax

In the governmental funds, the Governmental Accounting Standards Board (GASB) has specified the principles to be used in the recognition of real property tax revenue. These principles provide that real property taxes be recognized as revenue only when they will be "available" to pay obligations of the current period. The term "available" has been limited to a period not to exceed sixty days subsequent to the end of the fiscal year unless unusual circumstances are present. The Village has incorporated these principles in the preparations of the governmental financial statements.

For the statement of activities and statement of net position, the full amount of real property tax revenue is recognized when due.

H. Compensated Absences

Pursuant to its collective bargaining agreements, the Village accrues accumulated unpaid sick and vacation leave. The Village has recorded its liability of \$482,898 in the statement of net position for such compensated absences at May 31, 2017.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Insurance

The Village assumes liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated.

J. Cash and Cash Equivalents

For financial statement purposes, the Village considers all highly liquid investments of three months or less as cash equivalents.

K. Accounts Receivable

Accounts receivable are shown gross with no allowance for uncollectible amounts. Management believes that uncollectable amounts, if any, are immaterial to the financial statements.

L. Capital Assets

The Village has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by the Village is \$5,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>ASSET CLASS</u>	<u>ESTIMATED USEFUL LIVES</u>
Buildings & Improvements	10-40
Machinery & Equipment	5-15
Infrastructure	40

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the governmental fund financial statements.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Interfund Activity

The amounts reported on the Statement of Net Position for due to and due from other funds represents amounts due between different fund types (governmental activities/business type activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these Notes.

N. Equity Classifications

In the full accrual statements there are three classes of net position:

Net investment in capital assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets.

Restricted – reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – reports all other net position that does not meet the definition of the above two classifications and are deemed to be available for general use by the Village.

In the fund basis statements there are five classifications of fund balance:

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Village had non-spendable fund balances related to prepaid expenditures totaling \$141,636 in the General and Water Funds as of May 31, 2017.

Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The Village had restricted fund balances related to encumbrances in the Water Fund totaling \$29,973 as of May 31, 2017.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Committed – includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the Village’s highest level of decision making authority before the end of the fiscal year, and requires the same level of formal action to remove the constraint. The Board of Trustees is the decision making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The Village had no committed fund balances as of May 31, 2017.

Assigned – includes 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 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. Assigned fund balance generally includes encumbrances in the General Fund and appropriated fund balance. The Board of Trustees is the decision making authority that can, by resolution, assign fund balance.

Unassigned – represents the residual classification for the 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 fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

Order of Use of Fund Balance:

When resources are available from multiple fund balance classifications, the Board will assess the current financial condition of the Village and then determine the order of application of expenditures to which fund balance classification will be charged.

O. Use Of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

P. Operating Revenues of Proprietary Funds

Revenues generated through user fees to cover the annual operating expenses of the proprietary funds are classified as operating revenues. Investment income, grant income for capital purposes and/or the proceeds from the sale of assets are classified as non-operating revenues.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. New Accounting Standards

The Village has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At May 31, 2017, the Village implemented the following new standards:

GASB 72 – *Fair Value Measurement and Application.*

GASB 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.*

GASB 77 – *Tax Abatement Disclosures.*

GASB 78 – *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans.*

GASB 79 – *Certain External Investment Pools and Pool Participants.*

R. Future Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following standards that will become effective in future fiscal years:

GASB 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68, and Amendments to Certain Provisions of GASB 67 and GASB 68, effective for the year ending May 31, 2018.*

GASB 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pensions, effective for the year ending May 31, 2018.*

GASB 75 – *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, effective for the year ending May 31, 2019.*

GASB 80 – *Blending Requirements for Certain Component Units – an Amendment of GASB 14, effective for the year ending May 31, 2018.*

GASB 81 – *Irrevocable Split-Interest Agreements, effective for the year ending May 31, 2018.*

GASB 82 – *Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73, effective for the year ending May 31, 2018.*

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village will evaluate the impact of each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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. The government has three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the Village-wide statement of net position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense. Lastly is the Village contributions to the pension systems subsequent to the measurement date. The Village reports \$342,337 in deferred refunding charges, net of \$251,785 in accumulated amortization, and \$2,370,103 in deferred outflows of resources related to pensions as of May 31, 2017.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has two items that qualify for reporting in this category. The first arises only under a modified accrual basis of accounting and is reported as unavailable revenues. The Village recognized \$47,908 in deferred inflows of resources in the governmental fund financial statements for deferred tax revenues in the General Fund.

The second item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension liability and difference during the measurement periods between the Village's contributions and its proportion share of total contributions to the pension system not included in pension expense. The Village reports \$519,704 in deferred inflows of resources related to pensions as of May 31, 2017.

The reporting of deferred outflows and inflows of resources related to pensions resulted in a net decrease of \$952,611 to unrestricted net position as of May 31, 2017.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Reclassifications

Certain items at May 31, 2016 have been reclassified to conform to the presentation at May 31, 2017. The reclassifications have no effect on the change in fund balances or net position for the year ended May 31, 2016.

NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND VILLAGE-WIDE STATEMENT

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the Village-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental funds.

A. Total fund balances of governmental funds vs. net position of governmental activities:

Total fund balances of the governmental funds differs from “net position” of governmental activities reported in the statement of net position. The difference primarily results from the long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheet.

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories:

1. Long-term revenue and expenditure differences:

Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the Statement of Activities report revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND VILLAGE-WIDE STATEMENT (Continued)

2. Capital related differences:

Capital related differences include the differences between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

3. Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net assets.

NOTE 3 - CASH AND INVESTMENTS

The Village's investment policies are governed by state statute. In addition, the Village has established its own written investment policy. Other than certain amounts of cash on hand maintained to facilitate daily operations, Village monies must be deposited in FDIC-insured commercial banks or trust companies located within the state. The Mayor is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State and its localities.

Collateral is required for demand deposits and certificates of deposit at 100 percent of all deposits not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The Village's aggregate cash balances include balances not covered by depository insurance at year end, collateralized as follows:

Collateralized with securities held by the pledging financial institution, or its trust department, but not in the Village's name. \$ 9,494,954

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 4 – CAPITAL ASSETS

Capital asset balances and activity for the year ended May 31, 2017 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS/ RECLASSIFICATIONS</u>	<u>ENDING BALANCE</u>
GOVERNMENTAL ACTIVITIES:				
Capital assets that are not depreciated:				
Land	\$ 855,947	\$ -	\$ -	\$ 855,947
Construction In Progress	<u>6,304,768</u>	<u>3,336,026</u>	<u>143,592</u>	<u>9,497,202</u>
Total non-depreciable historical cost	<u>7,160,715</u>	<u>3,336,026</u>	<u>143,592</u>	<u>10,353,149</u>
Capital assets that are depreciated:				
Building and Improvements	20,840,089	431,090	-	21,271,179
Infrastructure	47,524,642	-	-	47,524,642
Machinery and Equipment	<u>11,722,763</u>	<u>1,461,447</u>	<u>-</u>	<u>13,184,210</u>
Total depreciable historical cost	<u>80,087,494</u>	<u>1,892,537</u>	<u>-</u>	<u>81,980,031</u>
Less accumulated depreciation:				
Building and Improvements	9,277,151	1,381,379	-	10,658,530
Infrastructure	15,064,788	1,008,879	-	16,073,667
Machinery and Equipment	<u>9,053,723</u>	<u>895,656</u>	<u>-</u>	<u>9,949,379</u>
Total Accumulated Depreciation	<u>33,395,662</u>	<u>3,285,914</u>	<u>-</u>	<u>36,681,576</u>
Total historical cost, net	<u>\$ 53,852,547</u>	<u>\$ 1,942,649</u>	<u>\$ 143,592</u>	<u>\$ 55,651,604</u>
Depreciation Expense was charged to governmental functions as follows:				
General Government Support		\$ 313,075		
Public Safety		170,676		
Health		189,723		
Transportation		432,423		
Culture and Recreation		135,005		
Home and Community Services		<u>2,045,012</u>		
TOTAL		<u>\$ 3,285,914</u>		

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 5 – INTERFUND TRANSACTIONS

Interfund balances at May 31, 2017 are as follows:

	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>	<u>INTERFUND REVENUES</u>	<u>INTERFUND EXPENDITURES</u>
General Fund	\$ 635,920	\$ 450,460	\$ 1,531,222	\$ 3,056,255
Water Fund	-	2,862	433,033	2,632,254
Debt Service Fund	10,653	-	3,900,766	1,607,755
Capital Fund	404,052	642,125	836,407	-
Library Fund	45,405	1,486	594,835	-
Miscellaneous Special Revenue Fund	<u>72,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GOVERNMENTAL FUNDS	<u>1,168,030</u>	<u>1,096,933</u>	<u>7,296,263</u>	<u>7,296,264</u>
Agency Fund	<u>1,003</u>	<u>72,100</u>	<u>-</u>	<u>-</u>
TOTAL FIDUCIARY FUNDS	<u>1,003</u>	<u>72,100</u>	<u>-</u>	<u>-</u>
TOTALS	<u>\$ 1,169,033</u>	<u>\$ 1,169,033</u>	<u>\$ 7,296,263</u>	<u>\$ 7,296,264</u>

Interfund receivables and payables, other than between governmental and/or business type activities and fiduciary funds, are eliminated on the Statement of Net Position. The Village typically loans resources between funds for the purpose of relieving cash flow issues.

The Village transfers funds from the operating funds to the Capital Projects Fund to finance ongoing capital projects, from the General Fund to the Library Fund for operating expenses and between funds for debt service expenses.

NOTE 6 - LIABILITIES

1. Pension Plans

a. Plan Description

The Village of Briarcliff Manor, New York participates in the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS), and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the Systems.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 6 – LIABILITIES (Continued)

The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The System issues a publicly available financial report that includes financial statements and required supplementary information.

That report may be obtained by writing to New York State and Local Retirement Systems, Gov. Alfred E. Smith State Office Building, Albany, NY 12244.

b. Funding Policy

Plan members who joined the Systems before July 27, 1976 are not required to make contributions. For those joining after July 27, 1976 and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the Systems more than ten years are no longer required to contribute. Employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS), contribute 3% of their salary throughout their active membership. Employees who joined the Systems on or after April 1, 2012 contribute 3% of their salary through March 31, 2013, and beginning April 1, 2013, contribute at rates ranging from 3% to 6%, based on the employees' gross salary. Under the authority of the NYSRSSL, the

Comptroller annually certifies the actuarially determined rates expressed used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>ERS</u>	<u>PFRS</u>
2017	\$ 678,595	\$ 637,810
2016	898,664	543,404
2015	895,828	676,823

2. Long-Term Debt

- a. Serial Bonds - The Village borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefits of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of long-term liabilities.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 6 – LIABILITIES (Continued)

- b. Other Long-Term Debt In addition to the above long-term debt the local government has the following non-current liabilities:

Compensated Absences - Represents the value of the earned and unused portion of the liability for compensated absences.

Installment Purchase Debt - Represents the remaining installments due on purchases of equipment.

Judgments and Claims – Represents the Village's outstanding liability related to a water supply settlement agreement with a neighboring municipality.

Net OPEB Obligation – Represents the liability for retiree health insurance premiums.

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

	<u>BALANCE</u> <u>JUNE 1, 2016</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE</u> <u>MAY 31, 2017</u>	<u>DUE WITHIN</u> <u>ONE YEAR</u>
Bonds Payable	\$ 42,435,000	\$ -	\$ 2,765,000	\$ 39,670,000	\$ 2,810,000
Unamortized Bond Premium	148,226	-	17,178	131,048	17,178
Installment Purchase Debt	83,346	-	52,749	30,597	27,785
Compensated Absences	481,300	1,598	-	482,898	-
Judgments And Claims	880,000	-	40,000	840,000	40,000
Net OPEB Obligation	<u>8,680,000</u>	<u>2,120,000</u>	<u>700,000</u>	<u>10,100,000</u>	<u>725,000</u>
TOTAL	\$ <u>52,707,872</u>	\$ <u>2,121,598</u>	\$ <u>3,574,927</u>	\$ <u>51,254,543</u>	\$ <u>3,619,963</u>

Additions and reductions to compensated absences are shown net since it is impractical to determine those amounts separately.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 6 – LIABILITIES (Continued)

- d. Long-term debt at May 31, 2017 is comprised of the following individual issues:

<u>PURPOSE</u>	<u>ISSUED</u>	<u>FINAL MATURITY</u>	<u>RATE</u>	<u>OUTSTANDING</u>
Public Improvements	2008	2029	3.00-5.00%	\$ 5,215,000
Refunding Bonds	2010	2020	4.00-5.00%	1,070,000
Public Improvements	2012	2031	2.00-4.00%	4,955,000
EFC Water	2013	2032	0.304-3.044%	7,990,000
Public Improvements	2014	2034	1.25-4.00%	5,550,000
Public Improvements	2014	2034	2.50-3.25%	7,555,000
Refunding Bonds	2015	2027	2.00-2.25%	<u>7,335,000</u>
Total Bonds				<u>39,670,000</u>
Police Vehicle	2016	2018	6.50%	14,289
Police Vehicle	2016	2019	6.50%	<u>16,308</u>
Total Installment Debt				<u>30,597</u>
Total Long Term Debt				<u>\$ 39,700,597</u>

- e. The annual requirements to amortize all long term debt outstanding as of May 31, 2017 are as follows:

<u>YEAR ENDED MAY 31,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2018	\$ 2,837,785	\$ 1,137,372
2019	2,832,812	1,066,749
2020	2,845,000	995,916
2021	2,530,000	916,819
2022	2,595,000	852,463
2023-2027	13,715,000	3,166,258
2028-2032	10,000,000	1,269,234
2033-2035	<u>2,345,000</u>	<u>123,859</u>
TOTAL	<u>\$ 39,700,597</u>	<u>\$ 9,528,670</u>

Interest expense on long-term debt consisted of the following:

Interest Paid	\$ 1,141,107
Less: Interest Accrued in the Prior Year	(240,161)
Plus: Interest Accrued in the Current Year	234,773
Interest on OPEB Obligation	390,000
Amortization of Deferred Refunding Charges	51,416
Amortization of Bond Premium	<u>(17,178)</u>
Total Expense	<u>\$ 1,559,957</u>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 6 – LIABILITIES (Continued)

3. Short Term Debt

Bond Anticipation Notes

The following is a summary of the bond anticipation notes outstanding at May 31, 2017:

<u>DESCRIPTION</u>	<u>RATE</u>	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
Building Restorations	0.80%	\$ 816,000	\$ -	\$ 816,000	\$ -
Sidewalks and Curbs	0.90%	-	102,000	-	102,000
Firefighting Vehicle and Apparatus	0.90%	-	739,500	-	739,500
Traffic Signals	0.90%	-	102,000	-	102,000
Various Purposes	0.90%	-	784,796	-	784,796
		<u>\$ 816,000</u>	<u>\$ 1,728,296</u>	<u>\$ 816,000</u>	<u>\$ 1,728,296</u>

Interest expense on short term debt consisted of the following:

Interest Paid	\$ 6,528
Less: Interest Accrued In Prior Year	-
Plus: Interest Accrued In Current Year	<u>4,539</u>
TOTAL EXPENSE	<u>\$ 11,067</u>

NOTE 7 – CONTINGENCIES

A. Lawsuits

The Village is a defendant in numerous certiorari proceedings, the result of which may require tax refunds on the part of the Village if existing assessment rolls are modified based upon the outcome of the litigation proceedings. If settled unfavorably, the tax certiorari refunds may be material to the financial statements. The outcome cannot be reasonably estimated at this time.

B. Federal And State Grants

The Village participates in various Federal and State grant programs. Accordingly, the Village's compliance with applicable grant requirements will be established at a future date. 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.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 8 – NET INVESTMENT IN CAPITAL ASSETS

Capital Assets, net	\$ 55,651,604
Less: Outstanding Bonds	(39,670,000)
Outstanding Installment Debt	(30,597)
Outstanding Bond	
Anticipation Notes	(1,728,296)
Unamortized Bond Premium	(131,048)
Plus: Unspent Debt Proceeds	3,271,577
Deferred Refunding Charges,	
Net	<u>342,337</u>
Net Investment in Capital Assets	<u>\$ 17,705,577</u>

NOTE 9 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Pension Plan Descriptions and Benefits Provided

Detailed descriptions of the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) are included in Note 6-1 to the financial statements.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At May 31, 2017, the Village reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2017 for ERS and PFRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	<u>ERS</u>	<u>PFRS</u>
Actuarial valuation date	April 1, 2016	April 1, 2016
Net pension asset/(liability)	\$ (1,600,528)	\$ (1,202,482)
Village's portion of the Plan's total net pension asset/(liability)	0.0170337%	0.0580166%

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 9 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

For the year ended May 31, 2017, the Village recognized pension expense of \$904,926 for ERS and \$781,800 for PFRS. At May 31, 2017, the Village reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	<u>ERS</u>	<u>PFRS</u>	<u>ERS</u>	<u>PFRS</u>
Differences between expected and actual experience	\$ 40,108	\$ 157,745	\$ 243,049	\$ 207,762
Changes of assumptions	546,799	592,412	-	-
Net difference between projected and actual earnings on pension plan investments	319,690	179,589	-	-
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	27,728	289,343	61,806	7,087
Village's contributions subsequent to the measurement date	<u>111,689</u>	<u>105,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,046,014</u>	<u>\$ 1,324,089</u>	<u>\$ 304,855</u>	<u>\$ 214,849</u>

Village contributions subsequent to the measurement date of \$105,000 for PFRS and \$111,689 for ERS will be recognized as a reduction of the net pension liability in the year May 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>PFRS</u>
2018	\$ 291,055	\$ 312,930
2019	291,055	312,930
2020	272,111	299,526
2021	(224,751)	21,196
2022	-	57,658
Thereafter	<u>-</u>	<u>-</u>
TOTAL	<u>\$ 629,470</u>	<u>\$ 1,004,240</u>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 9 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Actuarial Assumptions

The total pension liability as of the measurement date was measured by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The valuations used the following significant actuarial assumptions:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2017	March 31, 2017
Actuarial valuation date	April 1, 2016	April 1, 2016
Interest rate	7.0%	7.0%
Salary scale	3.8%	4.5%
Decrement tables	April 1, 2010-March 31, 2015 System's Experience	April 1, 2010-March 31, 2015 System's Experience
Inflation rate	2.5%	2.5%

For ERS and PFRS, annuitant mortality rates are based on April 1, 2010-March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

For ERS and PFRS, the actuarial assumptions used in the April 1, 2016 valuation are based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

The long term 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 returns net of investment expense 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 each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

	<u>ERS/PFRS</u>
Measurement date	March 31, 2017
Asset Type:	
Domestic Equity	4.55%
International Equity	6.35
Real Estate	5.80
Alternative Investments	4.00 - 7.75
Mortgages	1.31
Short-term	1.50

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 9 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Discount Rate

The discount rate used to calculate the total pension liability was 7.00% for ERS and PFRS. 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 employees will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' 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.

Sensitivity of the Proportionate Share for the Net Pension Liability to the Discount Rate Assumption

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.00% for ERS and PFRS, as well as what the Village's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Assumption (7.00%)	1% Increase (8.00%)
<u>ERS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (5,111,768)	\$ (1,600,528)	\$ 1,368,220
<u>PFRS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (3,408,966)	\$ (1,202,482)	\$ 648,218

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 9 – PENSION REPORTING FOR ASSETS/LIABILITIES AND DEFERRED
OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Pension Plan Fiduciary Net Position

The components of the current-year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

	<u>ERS (in thousands)</u>	<u>PFRS (in thousands)</u>
Valuation date	April 1, 2016	April 1, 2016
Employers' total pension liability	\$ 177,400,586	\$ 31,670,483
Plan Net Position	<u>168,004,363</u>	<u>29,597,830</u>
Employer's net pension asset/(liability)	<u>\$ (9,396,223)</u>	<u>\$ (2,072,653)</u>
 Ration of plan net position to the Employer's total pension asset/(liability)	 94.7%	 93.5%

Payables to the Pension Plan

For ERS and PFRS, employer contributions are paid annually based on the Systems' fiscal year which ends on March 31st. Accrued retirement contributions as of May 31, 2017 represent the projected employer contribution for the period of April 1, 2016 through May 31, 2017 based on paid ERS and PFRS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2017 amounted to \$111,689 for ERS and \$105,000 for PFRS.

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS

The Village provides post-employment coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Village's contractual agreements.

GASB Statement #45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*, requires the Village to calculate and record a net other post-employment benefit obligation at year-end. The net other post-employment benefit obligation is basically the cumulative difference between the actuarially required contribution and the actual contributions made.

The Village recognizes the cost of providing health insurance annually as expenditures in the fund financial statements as payments are made. For the year ended May 31, 2017 the District recognized approximately \$700,000 for its share of insurance premiums for currently enrolled retirees.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

The Village has obtained an actuarial valuation report as of June 1, 2016 which indicates that the total liability for other post-employment benefits is \$24,680,000.

Plan Description: The healthcare plan (HP) is a single-employer defined benefit healthcare plan administered by the Village. HP provides medical insurance benefits to eligible retirees and their spouses. The Board of Trustees of the Village has the authority to establish and amend benefit provisions.

Funding Policy: The contribution requirements of Plan members and the Village are established by the Board of Trustees. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2017, the Village contributed approximately \$700,000 to the plan for current premiums and \$0 to prefund benefits.

Annual OPEB Cost and Net OPEB Obligation: The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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 (or funding excess) over a period not to exceed thirty years.

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

Annual required contribution	\$ 2,240,000
Adjustment to annual required contribution	(510,000)
Interest on net OPEB obligation	<u>390,000</u>
Annual OPEB cost (expense)	2,120,000
Contributions made	<u>(700,000)</u>
Increase in net OPEB obligation	1,420,000
Net OPEB obligation—beginning of year	<u>8,680,000</u>
Net OPEB obligation—end of year	<u>\$ 10,100,000</u>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the preceding years were as follows:

Fiscal Year Ended	Beginning Net OPEB Obligation (a)	Annual OPEB Cost (b)	Contributions (c)	Percentage of Annual OPEB Cost Contributed (c/b)	Ending Net OPEB Obligation (a+b-c)
5/31/2017	\$ 8,680,000	\$ 2,120,000	\$ 700,000	33.02%	\$ 10,100,000
5/31/2016	7,290,000	2,020,000	630,000	31.19%	8,680,000
5/31/2015	5,960,000	1,960,000	630,000	32.14%	7,290,000
5/31/2014	4,600,000	2,000,000	640,000	32.00%	5,960,000

Funded Status and Funding Progress: As of June 1, 2016, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$24,680,000, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$24,680,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$7 million, and the ratio of the UAAL to the covered payroll was approximately 350%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 1, 2016, actuarial valuation, the Projected Unit Credit Cost Method was used. The actuarial assumptions included an annual healthcare cost trend rate of 9.5% initially, reduced by decrements to an ultimate rate of 5.0%, and a discount rate of 4.5%. The UAAL is being amortized on a level dollar basis on an open basis over 30 years.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 11 – EVENTS OCCURRING AFTER REPORTING DATE

The Village has evaluated events and transactions that occurred between May 31, 2017 and November 6, 2017, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 12 – SERVICE AWARD PROGRAM

The Village of Briarcliff Manor, New York established a defined contribution service award program for volunteer firefighters. The program, which took effect on January 1, 1993, was established pursuant to Article 11-A of the General Municipal Law. The Village of Briarcliff Manor, New York is the trustee of the program.

Participation, vesting and service credit

Active volunteer firefighters who have reached the age of 18 and have one year of service are eligible to participate in the program. Participants are fully vested upon attainment of the entitlement age, death or permanent disability and after earning five years of service credit. The program's entitlement age is 65. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of firefighting service rendered prior to the establishment of the program. The maximum years of service credit that can be earned is 40 years, including any prior service credit.

Forfeitures

A non-vested participant's account balance and service credit is forfeited when they resign as an active member, are expelled from the fire company, or fail to earn at least five years of service credit within the first ten consecutive calendar years, beginning with the calendar year that they became a participant. Forfeited account balances and service credits can be restored if the participant becomes an active member within ten years of the forfeiture.

Annual Contributions

The maximum annual contribution for a year of service credit is \$700. Participants are not required to contribute.

Benefits

Participants can be paid their account balance as a lump sum or in two annual installments.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
MAY 31, 2017

NOTE 12 – SERVICE AWARD PROGRAM (Continued)

For the year ended May 31, 2017 the Village's required contribution was \$46,200. However, due to the large number of forfeited account balances, the Village owes no contribution in 2017 and will have a contribution credit of \$9,450 towards the amount due in 2018.

NOTE 13 – MITIGATION RECEIVABLE

The Village has entered into an agreement with a local developer in which the developer has offered to make mitigation and contributory payments to the Village in recognition of public purpose infrastructure improvements completed by the Village that will benefit the developer. The developer has agreed to make non-refundable mitigation and contribution payments of \$2,000,000 for Library and Community Center improvements, \$500,000 for emergency equipment and \$8,747,874 for public purpose infrastructure improvements. The first two payments, totaling \$2,500,000, were paid in a lump sum prior to May 31, 2017. The final payment is being paid in 30 semi-annual installments of \$291,596 each beginning no earlier than September 1, 2015. The developer has paid the first four semi-annual installments, leaving a receivable balance of \$7,581,490 as of May 31, 2017.

NOTE 14 – RESTATED BALANCES

The opening balance in the statement of activities for the year ended May 31, 2017 has been restated to account for the following items as of May 31, 2016:

Mitigation Receivable	\$ 8,164,682
Overstated Retirement System Accruals	137,000
Understated Water Billings Receivable	730,965
Understated Installment Purchase Debt	<u>(83,346)</u>
	<u>\$ 8,949,301</u>

The opening balance in the governmental fund financial statements for the year ended May 31, 2017 has been restated to account for the following items as of May 31, 2016:

General Fund – Overstated Retirement System	
Accruals	\$ 137,000
Water Fund – Understated Water Billings	
Receivable	<u>730,965</u>
	<u>\$ 867,965</u>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
REVENUES					
Real Property Taxes	\$ 10,738,585	\$ 10,738,585	\$ 10,720,703	\$ (17,882)	\$ 10,646,240
Other Tax Items	50,000	50,000	42,937	(7,063)	48,735
Non-Property Tax Items	1,526,380	1,526,380	1,511,988	(14,392)	1,512,703
Departmental Income	1,235,826	1,235,826	1,237,532	1,706	1,222,652
Intergovernmental Charges	215,268	215,268	221,690	6,422	214,757
Use Of Money And Property	235,519	235,519	243,400	7,881	220,491
Licenses And Permits	769,500	1,508,325	1,542,457	34,132	450,960
Fines And Forfeitures	131,500	131,500	143,552	12,052	102,236
Sale Of Property And Compensation For Loss	17,000	17,000	99,127	82,127	7,475
Miscellaneous Local Sources	91,275	148,770	171,080	22,310	117,603
State Aid	448,932	467,336	593,167	125,831	529,459
Federal Aid	-	-	-	-	50,007
TOTAL REVENUES	15,459,785	16,274,509	16,527,633	253,124	15,123,318
EXPENDITURES					
General Government Support	3,016,870	2,919,778	2,592,636	327,142	2,651,721
Public Safety	4,987,177	5,511,517	5,288,850	222,667	4,928,094
Health	182,650	182,280	179,306	2,974	162,359
Transportation	1,755,954	1,919,744	1,884,567	35,177	1,675,137
Culture And Recreation	1,794,104	1,768,034	1,661,358	106,676	1,662,786
Home And Community Service	1,662,645	1,633,664	1,577,833	55,831	1,690,978
Debt Service:					
Principal	-	868,749	868,749	-	-
Interest	8,160	11,869	11,869	-	558
TOTAL EXPENDITURES	13,407,560	14,815,635	14,065,168	750,467	12,771,633

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTAL INFORMATION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,052,225	\$ 1,458,874	\$ 2,462,465	\$ 1,003,591	\$ 2,351,685
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	1,531,222	1,531,222	1,531,222	-	963,952
Operating Transfers Out	(3,583,447)	(3,056,255)	(3,056,255)	-	(2,953,384)
Insurance Recoveries	-	2,178,299	2,178,299	-	430,104
TOTAL OTHER FINANCING SOURCES (USES)	(2,052,225)	653,266	653,266	-	(1,559,328)
SPECIAL ITEMS					
Pavilion Reconstruction	-	(2,234,146)	(2,002,892)	231,254	(390,296)
TOTAL SPECIAL ITEMS	-	(2,234,146)	(2,002,892)	231,254	(390,296)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES, OTHER USES AND SPECIAL ITEMS	-	(122,006)	1,112,839	1,234,845	402,061
FUND BALANCE - Beginning Of Year (Restated)	-	122,006	2,417,562	2,295,556	1,878,501
FUND BALANCE - End Of Year	\$ -	\$ -	\$ 3,530,401	\$ 3,530,401	\$ 2,280,562

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
WATER FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
REVENUES					
Departmental Income	\$ 4,612,265	\$ 4,612,265	\$ 5,391,460	\$ 779,195	\$ 5,417,534
Intergovernmental Charges	657,000	657,000	193,628	(463,372)	-
Use Of Money And Property	420	420	2,623	2,203	426
Sale Of Property And Compensation For Loss	4,000	4,000	19,683	15,683	1,680
Miscellaneous Local Sources	<u>12,006</u>	<u>12,006</u>	<u>10,552</u>	<u>(1,454)</u>	<u>14,367</u>
TOTAL REVENUES	<u>5,285,691</u>	<u>5,285,691</u>	<u>5,617,946</u>	<u>332,255</u>	<u>5,434,007</u>
EXPENDITURES					
General Government Support	439,521	420,022	314,633	105,389	331,167
Home And Community Services	3,217,950	3,332,236	2,907,766	424,470	2,806,690
Debt Service:					
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,432</u>
TOTAL EXPENDITURES	<u>3,657,471</u>	<u>3,752,258</u>	<u>3,222,399</u>	<u>529,859</u>	<u>3,142,289</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,628,220	1,533,433	2,395,547	862,114	2,291,718
OTHER FINANCING SOURCES (USES)					
Operating Transfers Out	(2,061,253)	(2,632,254)	(2,632,254)	-	(3,470,006)
Operating Transfers In	<u>433,033</u>	<u>433,033</u>	<u>433,033</u>	<u>-</u>	<u>695,239</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	-	(665,788)	196,326	862,114	(483,049)
FUND BALANCE – Beginning Of Year (Restated)	<u>-</u>	<u>665,788</u>	<u>2,745,741</u>	<u>2,079,953</u>	<u>2,497,825</u>
FUND BALANCE – End Of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,942,067</u>	<u>\$ 2,942,067</u>	<u>\$ 2,014,776</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
REVENUES					
Use Of Money And Property	\$ -	\$ -	\$ -	\$ -	\$ 156
Miscellaneous Local Sources	<u>1,577,763</u>	<u>1,577,763</u>	<u>3,092,342</u>	<u>1,514,579</u>	<u>758,190</u>
TOTAL REVENUES	<u>1,577,763</u>	<u>1,577,763</u>	<u>3,092,342</u>	<u>1,514,579</u>	<u>758,346</u>
EXPENDITURES					
Debt Service:					
Principal	2,765,000	2,765,000	2,765,000	-	2,868,100
Interest	<u>1,112,365</u>	<u>1,112,365</u>	<u>1,135,766</u>	<u>(23,401)</u>	<u>1,285,527</u>
TOTAL EXPENDITURES	<u>3,877,365</u>	<u>3,877,365</u>	<u>3,900,766</u>	<u>(23,401)</u>	<u>4,153,627</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,299,602)	(2,299,602)	(808,424)	1,491,178	(3,395,281)
OTHER FINANCING SOURCES (USES)					
Operating Transfers Out	(1,627,763)	(1,627,763)	(1,607,755)	20,008	(633,191)
Operating Transfers In	<u>3,877,365</u>	<u>3,877,365</u>	<u>3,900,766</u>	<u>23,401</u>	<u>4,184,974</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	(50,000)	(50,000)	1,484,587	1,534,587	156,502
FUND BALANCE – Beginning Of Year	<u>50,000</u>	<u>50,000</u>	<u>265,900</u>	<u>215,900</u>	<u>109,398</u>
FUND BALANCE – End Of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,750,487</u>	<u>\$ 1,750,487</u>	<u>\$ 265,900</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS
MAY 31, 2017

<u>Fiscal Year Beginning</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (U/AAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Estimated Covered Payroll (c)</u>	<u>UAAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
6/1/2013	6/1/2013	\$ 0	\$ 21,250,000	\$ 21,250,000	0%	\$ 6,810,000	312.04%
6/1/2014	6/1/2014	0	21,260,000	21,260,000	0%	6,520,000	326.07%
6/1/2015	6/1/2015	0	23,290,000	23,290,000	0%	7,460,000	312.20%
6/1/2016	6/1/2016	0	24,680,000	24,680,000	0%	7,060,000	349.58%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY
YEAR ENDED MAY 31, 2017

ERS System

	<u>2017</u>	<u>2016</u>
The Village's proportion of the net pension liability	0.0170337%	0.0182780%
The Village's proportionate share of the net pension liability	\$ 1,600,528	\$ 2,933,676
The Village's covered employee payroll	4,241,109	4,216,411
The Village's proportionate share of the net pension liability as a percentage of covered employee payroll	37.74%	69.58%
Plan Fiduciary net position as a percentage of the total pension liability	94.7%	90.7%

PFRS System

	<u>2017</u>	<u>2016</u>
The Village's proportion of the net pension liability	0.0580166%	0.0518970%
The Village's proportionate share of the net pension liability	\$ 1,202,482	\$ 1,539,305
The Village's covered employee payroll	2,652,279	2,706,030
The Village's proportionate share of the net pension liability as a percentage of covered employee payroll	45.34%	56.88%
Plan Fiduciary net position as a percentage of the total pension liability	93.5%	90.2%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
YEAR ENDED MAY 31, 2017

ERS System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contractually required contribution	\$ 678,595	\$ 838,886	\$ 895,828	\$ 920,289	\$ 938,856	N/A	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	<u>(678,595)</u>	<u>(838,886)</u>	<u>(895,828)</u>	<u>(920,289)</u>	<u>(938,856)</u>	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution as a percentage of covered employee payroll	16.00%	19.78%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

PFRS System

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contractually required contribution	\$ 637,810	\$ 435,526	\$ 676,823	\$ 652,106	\$ 641,618	N/A	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	<u>(637,810)</u>	<u>(435,526)</u>	<u>(676,823)</u>	<u>(652,106)</u>	<u>(641,618)</u>	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution as a percentage of covered employee payroll	24.05%	16.02%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
MAY 31, 2017

	<u>LIBRARY</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
ASSETS			
Cash	\$ 25,021	\$ -	\$ 25,021
Accounts Receivable	12,831	-	12,831
Due From Other Funds	<u>45,405</u>	<u>72,000</u>	<u>117,405</u>
TOTAL ASSETS	<u>\$ 83,257</u>	<u>\$ 72,000</u>	<u>\$ 155,257</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 16,626	\$ -	\$ 16,626
Due To Other Funds	1,486	-	1,486
Due To ERS	<u>7,500</u>	<u>-</u>	<u>7,500</u>
TOTAL LIABILITIES	<u>25,612</u>	<u>-</u>	<u>25,612</u>
FUND BALANCES			
Assigned:			
Unappropriated	<u>57,645</u>	<u>72,000</u>	<u>129,645</u>
TOTAL FUND BALANCES	<u>57,645</u>	<u>72,000</u>	<u>129,645</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 83,257</u>	<u>\$ 72,000</u>	<u>\$ 155,257</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED MAY 31, 2017

	<u>LIBRARY</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
REVENUES			
Departmental Income	\$ 9,482	\$ -	\$ 9,482
Use Of Money And Property	3,022	-	3,022
Miscellaneous Local Sources	24,114	72,000	96,114
State Aid	<u>2,282</u>	<u>-</u>	<u>2,282</u>
TOTAL REVENUES	<u>38,900</u>	<u>72,000</u>	<u>110,900</u>
EXPENDITURES			
General Government Support	29,443	-	29,443
Culture And Recreation	<u>538,715</u>	<u>-</u>	<u>538,715</u>
TOTAL EXPENDITURES	<u>568,158</u>	<u>-</u>	<u>568,158</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(529,258)	72,000	(457,258)
OTHER FINANCING SOURCES			
Operating Transfers In	<u>594,835</u>	<u>-</u>	<u>594,835</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	65,577	72,000	137,577
FUND BALANCE – Beginning Of Year	<u>(7,932)</u>	<u>-</u>	<u>(7,932)</u>
FUND BALANCE – End Of Year	<u>\$ 57,645</u>	<u>\$ 72,000</u>	<u>\$ 129,645</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL FUND
COMPARATIVE BALANCE SHEET
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 2,573,340	\$ 2,848,992
Taxes Receivable	85,793	40,744
Accounts Receivable	1,089,292	298,393
Due From Other Funds	635,920	165,334
Due From State and Federal	-	1,713
Due From Other Governments	631,101	447,635
Prepaid Expenditures	<u>121,318</u>	<u>99,937</u>
TOTAL ASSETS	<u>\$ 5,136,764</u>	<u>\$ 3,902,748</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 274,638	\$ 198,707
Accrued Liabilities	162,392	106,800
Due To Other Funds	450,460	435,700
Due To Other Governments	97,012	15,543
Due To ERS	182,689	311,254
Unearned Revenues	<u>391,264</u>	<u>523,195</u>
TOTAL LIABILITIES	<u>1,558,455</u>	<u>1,591,199</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Taxes Receivable	<u>47,908</u>	<u>30,987</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>47,908</u>	<u>30,987</u>
FUND BALANCE		
Non-Spendable:		
Prepaid Items	121,318	99,937
Assigned:		
Encumbrances	366,135	87,006
Unassigned	<u>3,042,948</u>	<u>2,093,619</u>
TOTAL FUND BALANCE	<u>3,530,401</u>	<u>2,280,562</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 5,136,764</u>	<u>\$ 3,902,748</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
REAL PROPERTY TAXES	\$ 10,738,585	\$ 10,738,585	\$ 10,720,703	\$ (17,882)	\$ 10,646,240
OTHER TAX ITEMS					
Interest And Penalties On Real Property Taxes	50,000	50,000	42,937	(7,063)	48,735
NON-PROPERTY TAXES					
Franchise Fees	182,630	182,630	182,176	(454)	198,989
Utilities Gross Receipts Taxes	180,750	180,750	169,764	(10,986)	166,618
Sales Tax	1,163,000	1,163,000	1,160,048	(2,952)	1,147,096
	1,526,380	1,526,380	1,511,988	(14,392)	1,512,703
DEPARTMENTAL INCOME					
Clerk Fees	4,300	4,300	40,690	36,390	36,684
Police Fees	30,500	30,500	29,973	(527)	44,666
Parking Fees	345,000	345,000	356,130	11,130	349,050
Parks And Recreation Charges	474,606	474,606	477,484	2,878	458,298
Special Recreation Facility Charges	288,720	288,720	241,522	(47,198)	252,131
Planning Board Fees	9,000	9,000	9,650	650	4,100
Zoning Board Fees	4,000	4,000	3,500	(500)	5,000
Sale Of Leaf Bags	2,500	2,500	2,037	(463)	2,234
Alarm System Service	48,700	48,700	48,347	(353)	45,355
Sanitation Fees	15,000	15,000	19,589	4,589	15,960
Sale Of Unleaded/Diesel Fuel	13,500	13,500	8,610	(4,890)	9,174
	1,235,826	1,235,826	1,237,532	1,706	1,222,652
INTERGOVERNMENTAL CHARGES					
Fire Protection Services To Other Governments	192,794	192,794	204,826	12,032	194,526
Snow Removal Charges To Other Governments	22,474	22,474	16,864	(5,610)	20,231
	215,268	215,268	221,690	6,422	214,757

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
USE OF MONEY AND PROPERTY					
Earnings On Investments	\$ 1,000	\$ 1,000	\$ 3,590	\$ 2,590	\$ 977
Rental Of Real Property	<u>234,519</u>	<u>234,519</u>	<u>239,810</u>	<u>5,291</u>	<u>219,514</u>
	<u>235,519</u>	<u>235,519</u>	<u>243,400</u>	<u>7,881</u>	<u>220,491</u>
LICENSES AND PERMITS					
Street Opening Permits	32,000	32,000	38,166	6,166	61,059
Dog Licenses	1,800	1,800	1,960	160	2,315
Business Licenses	2,000	2,000	600	(1,400)	-
Building Permits	<u>733,700</u>	<u>1,472,525</u>	<u>1,501,731</u>	<u>29,206</u>	<u>387,586</u>
	<u>769,500</u>	<u>1,508,325</u>	<u>1,542,457</u>	<u>34,132</u>	<u>450,960</u>
FINES AND FOREITURES					
Fines and Forfeited Bail	<u>131,500</u>	<u>131,500</u>	<u>143,552</u>	<u>12,052</u>	<u>102,236</u>
SALE OF PROPERTY AND COMPENSATION					
FOR LOSS					
Sale Of Equipment	7,000	7,000	60	(6,940)	6,124
Sale Of Scrap	4,000	4,000	2,666	(1,334)	1,351
Insurance Recoveries	<u>6,000</u>	<u>6,000</u>	<u>96,401</u>	<u>90,401</u>	<u>-</u>
	<u>17,000</u>	<u>17,000</u>	<u>99,127</u>	<u>82,127</u>	<u>7,475</u>
STATE AID					
Per Capita	44,794	44,794	44,826	32	44,804
Mortgage Tax	180,000	180,000	305,799	125,799	210,755
SEMO	-	-	-	-	49,191
Consolidated Highway Aid	223,000	241,404	241,404	-	223,565
Youth Programs	<u>1,138</u>	<u>1,138</u>	<u>1,138</u>	<u>-</u>	<u>1,144</u>
	<u>448,932</u>	<u>467,336</u>	<u>593,167</u>	<u>125,831</u>	<u>529,459</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

(Continued)	ORIGINAL BUDGET	FINAL BUDGET	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
	\$	\$	\$	\$	
FEDERAL AID					
Assistance To Fire Fighters	-	-	-	-	50,007
MISCELLANEOUS					
Other	91,275	148,770	171,080	22,310	117,603
TOTAL REVENUES	15,459,785	16,274,509	16,527,633	253,124	15,123,318
OTHER FINANCING SOURCES					
Insurance Recoveries	-	2,178,299	2,178,299	-	430,104
Transfers In:					
Water Fund	356,500	356,500	356,500	-	783,251
Capital Projects Fund	-	-	-	-	550
Debt Service Fund	1,174,722	1,174,722	1,174,722	-	180,151
TOTAL OTHER FINANCING SOURCES	1,531,222	3,709,521	3,709,521	-	1,394,056
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 16,991,007	\$ 19,984,030	\$ 20,237,154	\$ 253,124	\$ 16,517,374

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
GENERAL GOVERNMENT SUPPORT					
Board Of Trustees	\$ 35,978	\$ 95,199	\$ 94,581	\$ 618	\$ 68,879
Village Justice	255,780	237,337	232,760	4,577	224,146
Manager	171,847	178,934	173,142	5,792	172,908
Auditor	26,525	30,273	30,273	-	23,950
Treasurer	264,401	278,872	286,794	(7,922)	269,871
Clerk	278,215	281,425	281,312	113	299,447
Law	152,000	152,000	113,556	38,444	204,756
Engineer	175,402	176,962	126,495	50,467	130,889
Elections	2,170	1,856	1,856	-	1,850
Records Management	3,708	40	40	-	10,915
DPW Administration	379,246	388,959	373,356	15,603	377,104
Buildings	109,000	121,966	90,567	31,399	90,419
Central Garage	486,122	482,094	455,639	26,455	432,732
Central Data Processing	38,522	71,248	52,295	18,953	37,788
Unallocated Insurance	242,000	234,400	232,974	1,426	230,591
Municipal Association Dues	5,217	9,919	9,919	-	4,453
Refunds Of Real Property Taxes	100,000	100,000	8,662	91,338	31,395
Fiscal Agent Fees	3,000	2,500	2,500	-	2,500
Metropolitan Commuter Transportation Mobility Tax	20,500	20,642	20,642	-	20,076
Insurance Recovery Expense	6,000	6,000	5,273	727	17,052
Contingency	<u>261,237</u>	<u>49,152</u>	<u>-</u>	<u>49,152</u>	<u>-</u>
	<u>3,016,870</u>	<u>2,919,778</u>	<u>2,592,636</u>	<u>327,142</u>	<u>2,651,721</u>
PUBLIC SAFETY					
Police Department	4,193,010	4,555,762	4,542,265	13,497	4,090,356
Fire Department	521,915	530,285	427,866	102,419	587,265
Control Of Animals	7,100	7,351	7,351	-	7,147
Safety Inspection	<u>265,152</u>	<u>418,119</u>	<u>311,368</u>	<u>106,751</u>	<u>243,326</u>
	<u>4,987,177</u>	<u>5,511,517</u>	<u>5,288,850</u>	<u>222,667</u>	<u>4,928,094</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
HEALTH					
Ambulance	\$ 182,650	\$ 182,280	\$ 179,306	\$ 2,974	\$ 162,359
TRANSPORTATION					
Street Maintenance	1,063,531	1,110,153	1,095,080	15,073	1,023,762
Road Construction	228,108	370,768	370,768	-	231,467
Snow Removal	206,316	184,614	179,643	4,971	153,510
Street Lighting	257,999	254,209	239,076	15,133	266,398
	1,755,954	1,919,744	1,884,567	35,177	1,675,137
CULTURE AND RECREATION					
Administration	531,461	580,129	575,048	5,081	532,197
Parks And Playgrounds	470,387	436,612	389,276	47,336	436,047
Recreation Programs	185,708	175,093	162,823	12,270	176,960
Youth Programs	434,238	421,346	399,585	21,761	383,768
After School Programs	41,757	31,374	29,818	1,556	36,914
Celebrations	17,700	25,406	25,022	384	15,960
Adult Recreation	15,738	13,461	7,627	5,834	12,330
Senior Citizens	69,435	69,721	60,271	9,450	68,610
Community Center	27,620	14,892	11,888	3,004	-
	1,794,104	1,768,034	1,661,358	106,676	1,662,786
HOME AND COMMUNITY SERVICES					
Zoning Board	2,651	4,159	3,899	260	2,930
Planning Board	5,973	5,173	5,120	53	6,519
Recycling	285,925	272,654	250,610	22,044	321,172
Refuse And Garbage	865,013	839,369	831,938	7,431	860,623
Construction Projects	326,410	351,780	337,927	13,853	316,512
Community Beautification	176,673	160,529	148,339	12,190	183,222
	1,662,645	1,633,664	1,577,833	55,831	1,690,978

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
DEBT SERVICE					
Bond Anticipation Notes - Principal	\$ -	\$ 816,000	\$ 816,000	\$ -	\$ -
Bond Anticipation Notes - Interest	8,160	6,528	6,528	-	558
Installment Purchase Debt - Principal	-	52,749	52,749	-	-
Installment Purchase Debt - Interest	-	5,341	5,341	-	-
	8,160	880,618	880,618	-	558
TOTAL EXPENDITURES	13,407,560	14,815,635	14,065,168	750,467	12,771,633
OTHER FINANCING USES					
Transfers Out:					
Public Library Fund	594,835	594,835	594,835	-	589,835
Debt Service Fund	2,172,612	2,196,012	2,196,012	-	2,262,016
Capital Projects Fund	816,000	265,408	265,408	-	101,533
	3,583,447	3,056,255	3,056,255	-	2,953,384
TOTAL OTHER FINANCING USES					
SPECIAL ITEMS					
Pavilion Reconstruction	-	2,234,146	2,002,892	231,254	390,296
	-	2,234,146	2,002,892	231,254	390,296
TOTAL SPECIAL ITEMS					
TOTAL EXPENDITURES, OTHER FINANCING USES AND SPECIAL ITEMS	\$ 16,991,007	\$ 20,106,036	\$ 19,124,315	\$ 981,721	\$ 16,115,313

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
WATER FUND
COMPARATIVE BALANCE SHEET
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 1,910,490	\$ 1,795,142
Water Rents Receivable	1,139,632	509,781
Due From Other Governments	193,628	-
Prepaid Expenditures	<u>20,318</u>	<u>1,150</u>
TOTAL ASSETS	<u>\$ 3,264,068</u>	<u>\$ 2,306,073</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 112,452	\$ 159,948
Accrued Liabilities	83,831	62,609
Customer Deposits	600	-
Due To Other Funds	2,862	23,822
Due To Other Governments	95,756	11,351
Due To ERS	<u>26,500</u>	<u>33,567</u>
TOTAL LIABILITIES	<u>322,001</u>	<u>291,297</u>
FUND BALANCE		
Non-Spendable:		
Prepaid Items	20,318	1,150
Restricted:		
Encumbrances	29,973	-
Assigned:		
Unappropriated	<u>2,891,776</u>	<u>2,013,626</u>
TOTAL FUND BALANCE	<u>2,942,067</u>	<u>2,014,776</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,264,068</u>	<u>\$ 2,306,073</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
DEPARTMENTAL INCOME					
Metered Water Sales	\$ 4,506,365	\$ 4,506,365	\$ 5,244,697	\$ 738,332	\$ 5,267,370
Water Service Charges	13,400	13,400	16,950	3,550	8,275
Sewer Service Charges	2,500	2,500	2,500	-	2,500
Interest And Penalties On Water Rents	90,000	90,000	127,313	37,313	131,089
Water Services For Other Governments	-	-	-	-	8,300
	<u>4,612,265</u>	<u>4,612,265</u>	<u>5,391,460</u>	<u>779,195</u>	<u>5,417,534</u>
INTERGOVERNMENTAL CHARGES					
Water Charges	<u>657,000</u>	<u>657,000</u>	<u>193,628</u>	<u>(463,372)</u>	<u>-</u>
USE OF MONEY AND PROPERTY					
Earnings On Investments	<u>420</u>	<u>420</u>	<u>2,623</u>	<u>2,203</u>	<u>426</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale Of Equipment	4,000	4,000	7,600	3,600	1,680
Insurance Recoveries	-	-	12,083	12,083	-
	<u>4,000</u>	<u>4,000</u>	<u>19,683</u>	<u>15,683</u>	<u>1,680</u>
MISCELLANEOUS					
Other	<u>12,006</u>	<u>12,006</u>	<u>10,552</u>	<u>(1,454)</u>	<u>14,367</u>
TOTAL REVENUES	<u>5,285,691</u>	<u>5,285,691</u>	<u>5,617,946</u>	<u>332,255</u>	<u>5,434,007</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016
					ACTUAL
OTHER FINANCING SOURCES					
Transfers In:					
Capital Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ 242,199
Debt Service Fund	<u>433,033</u>	<u>433,033</u>	<u>433,033</u>	<u>-</u>	<u>453,040</u>
TOTAL OTHER FINANCING SOURCES	<u>433,033</u>	<u>433,033</u>	<u>433,033</u>	<u>-</u>	<u>695,239</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 5,718,724</u>	<u>\$ 5,718,724</u>	<u>\$ 6,050,979</u>	<u>\$ 332,255</u>	<u>\$ 6,129,246</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 13,390	\$ 13,390	\$ 13,390	\$ -	\$ 12,250
Law	98,374	89,841	51,455	38,386	79,134
Buildings	14,474	14,512	10,517	3,995	15,450
Central Garage	102,546	106,038	96,149	9,889	95,966
Unallocated Insurance	83,000	83,000	83,000	-	78,874
Municipal Association Dues	3,803	3,803	2,439	1,364	2,465
Taxes And Assessments On Municipal Property	35,120	44,915	44,915	-	33,663
Fiscal Agent Fees	10,316	10,315	9,316	999	9,838
Metropolitan Commuter Transportation Mobility Tax	3,498	3,498	3,452	46	3,527
Contingency	75,000	50,710	-	50,710	-
	<u>439,521</u>	<u>420,022</u>	<u>314,633</u>	<u>105,389</u>	<u>331,167</u>
HOME AND COMMUNITY SERVICES					
Water Administration	804,761	811,019	783,377	27,642	798,427
Pumping, Supply And Power	1,480,515	1,547,244	1,232,603	314,641	1,078,157
Transmission And Distribution	733,034	762,389	689,847	72,542	748,235
Sanitary Sewers	199,640	211,584	201,939	9,645	181,871
	<u>3,217,950</u>	<u>3,332,236</u>	<u>2,907,766</u>	<u>424,470</u>	<u>2,806,690</u>
DEBT SERVICE					
Interest:	-	-	-	-	4,432
Bond Anticipation Notes	-	-	-	-	-
TOTAL EXPENDITURES	<u>3,657,471</u>	<u>3,752,258</u>	<u>3,222,399</u>	<u>528,859</u>	<u>3,142,289</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, 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	2017 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016
					ACTUAL
OTHER FINANCING USES					
Transfers Out:					
General Fund	\$ 356,500	\$ 356,500	\$ 356,500	\$ -	\$ 783,251
Capital Projects Fund	-	571,000	571,000	-	795,143
Debt Service Fund	<u>1,704,753</u>	<u>1,704,754</u>	<u>1,704,754</u>	-	<u>1,891,612</u>
TOTAL OTHER FINANCING USES	<u>2,061,253</u>	<u>2,632,254</u>	<u>2,632,254</u>	-	<u>3,470,006</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 5,718,724</u>	<u>\$ 6,384,512</u>	<u>\$ 5,854,653</u>	<u>\$ 529,859</u>	<u>\$ 6,612,295</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 1,739,834	\$ -
Due From Other Funds	<u>10,653</u>	<u>265,900</u>
TOTAL ASSETS	<u>\$ 1,750,487</u>	<u>\$ 265,900</u>
FUND BALANCE		
Assigned:		
Appropriated	\$ 50,000	\$ 50,000
Unappropriated	<u>1,700,487</u>	<u>215,900</u>
TOTAL FUND BALANCE	<u>\$ 1,750,487</u>	<u>\$ 265,900</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
LIBRARY FUND
COMPARATIVE BALANCE SHEET
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 25,021	\$ 25,212
Accounts Receivable	12,831	-
Due From Other Funds	<u>45,405</u>	<u>4,958</u>
TOTAL ASSETS	<u>\$ 83,257</u>	<u>\$ 30,170</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$ 16,626	\$ 8,321
Accrued Liabilities	-	16,989
Due To Other Funds	1,486	-
Due To ERS	<u>7,500</u>	<u>12,792</u>
TOTAL LIABILITIES	<u>25,612</u>	<u>38,102</u>
FUND BALANCE		
Assigned:		
Unappropriated	57,645	-
Unassigned	<u>-</u>	<u>(7,932)</u>
TOTAL FUND BALANCE	<u>57,645</u>	<u>(7,932)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 83,257</u>	<u>\$ 30,170</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
LIBRARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2017
(WITH COMPARATIVE ACTUALS FOR 2016)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2016 ACTUAL
REVENUES					
Departmental Income	\$ 14,827	\$ 14,827	\$ 9,482	\$ (5,345)	\$ 10,581
Use Of Money And Property	2,400	2,400	3,022	622	1,818
Miscellaneous Local Sources	4,589	24,749	24,114	(635)	11,713
State Aid	<u>1,866</u>	<u>1,866</u>	<u>2,282</u>	<u>416</u>	<u>2,188</u>
TOTAL REVENUES	<u>23,682</u>	<u>43,842</u>	<u>38,900</u>	<u>(4,942)</u>	<u>26,300</u>
EXPENDITURES					
General Government Support	23,463	29,443	29,443	-	39,552
Culture And Recreation	<u>595,054</u>	<u>609,234</u>	<u>538,715</u>	<u>70,519</u>	<u>594,894</u>
TOTAL EXPENDITURES	<u>618,517</u>	<u>638,677</u>	<u>568,158</u>	<u>70,519</u>	<u>634,446</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(594,835)	(594,835)	(529,258)	65,577	(608,146)
OTHER FINANCING SOURCES					
Operating Transfers In	<u>594,835</u>	<u>594,835</u>	<u>594,835</u>	<u>-</u>	<u>589,835</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	-	65,577	65,577	(18,311)
FUND BALANCE – Beginning Of Year	<u>-</u>	<u>-</u>	<u>(7,932)</u>	<u>(7,932)</u>	<u>10,379</u>
FUND BALANCE – End Of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,645</u>	<u>\$ 57,645</u>	<u>\$ (7,932)</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
MAY 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 3,852,023	\$ 5,959,355
Accounts Receivable	-	90,000
Due From Other Funds	<u>404,052</u>	<u>23,330</u>
TOTAL ASSETS	<u>\$ 4,256,075</u>	<u>\$ 6,072,685</u>
LIABILITIES		
Accounts Payable	\$ 342,373	\$ 713,542
Bond Anticipation Notes	1,728,296	816,000
Due To Other Funds	<u>642,125</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,712,794</u>	<u>1,529,542</u>
FUND BALANCE		
Assigned	<u>1,543,281</u>	<u>4,543,143</u>
TOTAL FUND BALANCE	<u>1,543,281</u>	<u>4,543,143</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 4,256,075</u>	<u>\$ 6,072,685</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED MAY 31,

	<u>2017</u>	<u>2016</u>
REVENUES		
Use Of Money And Property	\$ 11,270	\$ -
Sale Of Property And Compensation For Loss	50,000	-
Miscellaneous Local Sources	11,471	687,093
State Aid	<u>11,225</u>	<u>74,552</u>
TOTAL REVENUES	<u>83,966</u>	<u>761,645</u>
EXPENDITURES		
Capital Outlay	<u>4,736,235</u>	<u>5,167,157</u>
TOTAL EXPENDITURES	<u>4,736,235</u>	<u>5,167,157</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,652,269)	(4,405,512)
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	836,407	896,676
Operating Transfers Out	-	(274,095)
BAN's Redeemed From Appropriations	<u>816,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(2,999,862)	(3,782,931)
FUND BALANCE (DEFICIT)		
Beginning Of Year	<u>4,543,143</u>	<u>8,326,074</u>
FUND BALANCE (DEFICIT)		
End Of Year	<u>\$ 1,543,281</u>	<u>\$ 4,543,143</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report

To the Village Mayor and Board of Trustees
Of the Village of Briarcliff Manor
Briarcliff Manor, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Briarcliff Manor, New York as of and for the year ended May 31, 2017, and the related notes to the financial statements, which collectively comprise the Village of Briarcliff Manor, New York's basic financial statements and have issued our report thereon dated November 6, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Briarcliff Manor, New York's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Briarcliff Manor, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Briarcliff Manor, New York's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Briarcliff Manor, New York's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Mongaup Valley, New York
November 6, 2017