

**Village of Ossining, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2014



# Village of Ossining, New York

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## Independent Auditors' Report

The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ossining, New York ("Village") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village, as of December 31, 2014, and the respective changes in financial position and cash flows, where applicable, thereof, and the budgetary comparison for the General and Water funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

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## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133 *Audits of State, Local Governments and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2015 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 the 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's internal control over financial reporting and compliance.

*O'Connor Davies, LLP*

**O'Connor Davies, LLP**

Harrison, New York

May 5, 2015

# Village of Ossining, New York

## Management's Discussion and Analysis (MD&A) December 31, 2014

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### Introduction

The Village of Ossining, New York ("Village") presents this Management's Discussion and Analysis ("MD&A") as an overview of the Village's financial activities for the fiscal year ended December 31, 2014, as required by the Government Accounting Standards Board (GASB). This narrative overview and analysis of the financial activities of the Village should be read in conjunction with the basic financial statements and accompanying notes to those statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

### Financial Highlights for Fiscal Year 2014

Key financial highlights for the fiscal year ended December 31, 2014 are as follows:

- ❖ On the government-wide Statement of Net Position, the assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$39,330,618. Of this amount, the unrestricted portion is a deficit of \$17,384,320. This deficit resulted primarily from the accrual of certain operating liabilities pursuant to Government Accounting Standards Board (GASB) Statement No. 34, which will be satisfied in future years, including compensated absences and the accrual of the Village's annual other post-employment benefit (OPEB) cost in accordance with the provisions of GASB Statement No. 45.
- ❖ The Village's total net position decreased by \$6,302,614 in 2014, from \$45,633,232 as of December 31, 2013. The total decrease in net position resulted primarily from the increase in the accrual of OPEB obligations, which increased by \$4,210,000 in 2014, and a net increase of \$2,431,500 in bonds payable.
- ❖ As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$20,796,914, of which \$5,554,192 was unassigned and available for spending at the Village's discretion. The combined ending fund balances of \$20,796,914 at December 31, 2014 were \$1,248,932 less than the amount reported in the prior year.
- ❖ At the end of the current fiscal year, unassigned fund balance for the General Fund, \$5,554,192, was 17.1% of total General Fund expenditures and other financing uses (of \$32,411,155).
- ❖ The Internal Service Funds reported a restricted net position balance of \$1,076,925 as of December 31, 2014.
- ❖ During the current fiscal year, the Village issued new serial bonds of \$4,718,000 to finance capital projects (of \$2,193,000), and to provide permanent financing for capital projects (of \$2,185,000) previously funded through the issuance of short-term obligations (bond anticipation notes (BAN's)), and for tax certiorari claims (of \$340,000). In 2014, the Village retired \$2,286,500 of general obligation debt from budgetary appropriations.
- ❖ As of December 31, 2014, the Village had an outstanding bond anticipation note liability of \$4,111,787, which was comprised of \$2,600,000 for authorized capital projects in 2014, plus \$1,511,787 for prior year capital project BAN's. During 2014, the Village had retired \$282,706 of

BAN's from budgetary appropriations, and converted \$2,185,000 of prior year BAN's to permanent financing through the issuance of serial bonds.

## **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 financial statements. This report also contains other supplementary information in addition to the basic financial 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 financial information on all of the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of 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, depreciation expense, and earned but unused vacation leave and other post-employment benefit obligations ("OPEB")).

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

The government-wide financial statements can be found immediately following this discussion and analysis.

## **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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and means by which spending activities are controlled. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary 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 seven individual governmental funds: the General Fund, Water Fund, Sewer Fund, Debt Service Fund, Section 8 Housing Fund, Special Purpose Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Water, Debt Service and Capital Projects Funds. These funds are considered to be major funds. The Sewer, Section 8 Housing and Special Purpose Funds are not considered major funds and are combined into a single aggregate presentation.

The Village adopts annual budgets for the General Fund, Water Fund, Sewer Fund, Debt Service Fund and Section 8 Housing Fund. Budgetary comparison statements have been provided for the General and Water Funds within the basic financial statements to demonstrate compliance with the respective budgets. In the Capital Projects Fund, budgets are established on an individual project basis.

### **Proprietary Funds**

The Village maintains one type of proprietary fund. These internal service funds are used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its liability insurance coverage (the General Liability Claims Fund), and its self-insured workers' compensation benefits (the Workers' Compensation Benefits Fund). These services have been classified as governmental activities in the government-wide financial statements because they predominantly benefit governmental funds.

Both internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Village programs. The Village maintains only one type of fiduciary fund that is known as an agency fund. The Village holds resources in this 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.

## **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. The notes to the financial statements are located following the basic financial statements section of this report.

## Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include schedules of budget to actual comparisons and the project-length schedule for the Capital Projects Fund.

### 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 \$39,330,618 at the close of the 2014 fiscal year, a decrease of \$6,302,614 from the prior fiscal year.

#### Net Position December 31,

	2014 Governmental Activities	2013 Governmental Activities
Current Assets	\$ 33,264,635	\$ 33,898,684
Capital Assets, Net	74,033,364	73,500,631
Total Assets	107,297,999	107,399,315
Deferred Outflows of Resources	506,127	575,842
Current Liabilities	7,849,520	7,594,861
Long-term Liabilities	60,209,458	54,458,313
Total Liabilities	68,058,978	62,053,174
Deferred Inflows of Resources	414,530	288,751
<b>NET POSITION</b>		
Net Investment in Capital Assets	49,966,281	51,871,733
Restricted	6,748,657	7,679,156
Unrestricted (deficit)	(17,384,320)	(13,917,657)
Total Net Position	\$ 39,330,618	\$ 45,633,232

The largest portion of the Village's net position was its investment in capital assets (land, land improvements, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress), less any related debt outstanding that was used to acquire those assets, \$49,966,281. 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.

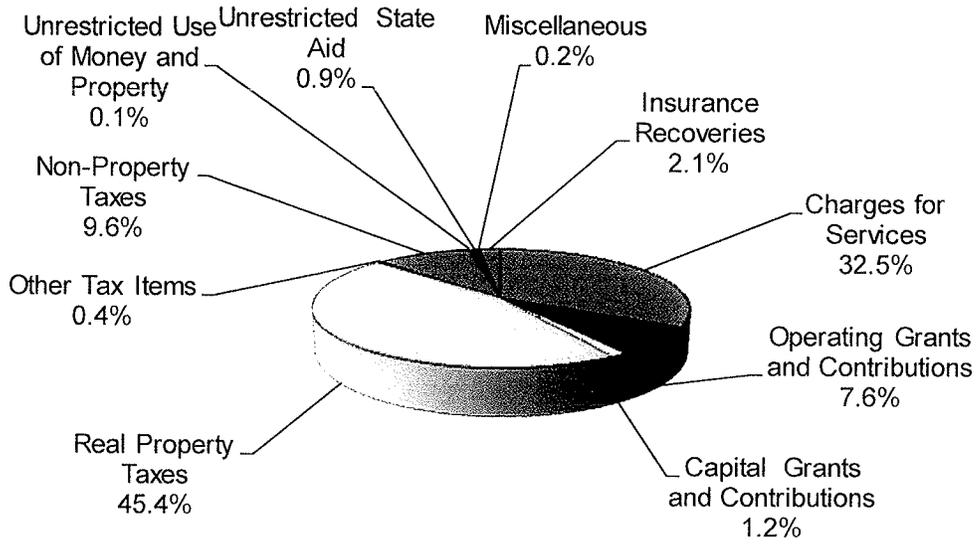
A portion of the Village's net position at December 31, 2014, \$6,748,657, represented resources that were subject to external restrictions on how they may be used, and are restricted for various purposes such as special revenue funds, debt service, capital projects, workers' compensation benefits and general liability claims.

The remaining balance of unrestricted net position, which was a deficit of \$17,384,320, must be financed from future operations. This deficit does not mean that the Village does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences (\$1,146,335), and other post-employment benefit obligations (\$24,390,000), that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made. At the end of the current fiscal year, the Village was able to report positive net position balances in the government as a whole, and in the governmental funds.

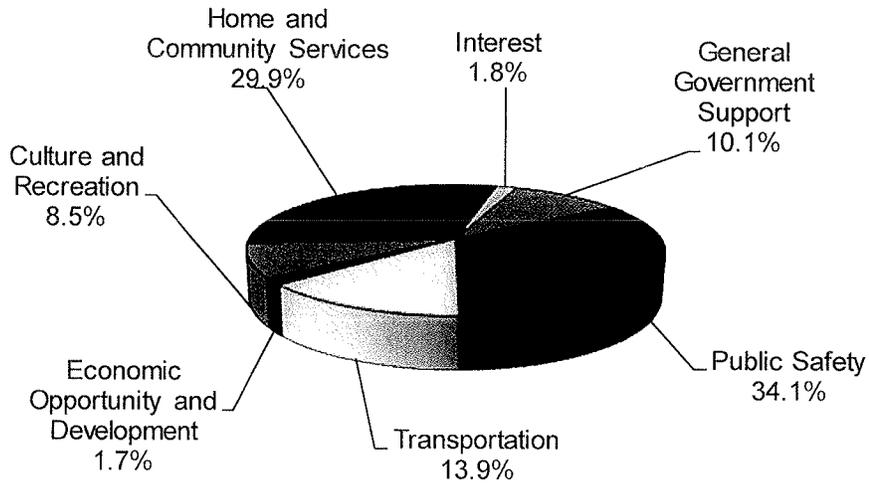
**Change in Net Position  
Fiscal Year Ended December 31,**

	Governmental Activities	
	2014	2013
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 14,947,062	\$ 14,211,822
Operating Grants and Contributions	3,518,557	4,222,816
Capital Grants and Contributions	551,958	635,888
General Revenues		
Real Property Taxes	20,857,969	20,011,523
Other Tax Items	187,837	163,358
Non-Property Taxes	4,415,982	4,254,232
Unrestricted Use of Money and Property	46,573	39,672
Unrestricted State Aid	394,907	428,404
Miscellaneous	72,631	76,013
Donated Assets	-	6,000
Sale of Real Property	-	160,190
Insurance Recoveries	962,758	349,537
Total Revenues	<u>45,956,234</u>	<u>44,559,455</u>
<b>EXPENSES</b>		
Program Expenses		
General Government Support	5,274,029	5,252,394
Public Safety	17,807,457	17,434,029
Health	1,630	1,880
Transportation	7,277,809	7,153,598
Economic Opportunity and Development	895,112	244,916
Culture and Recreation	4,431,265	4,404,261
Home and Community Services	15,618,451	14,906,611
Interest	953,095	854,767
Total Expenses	<u>52,258,848</u>	<u>50,252,456</u>
Change in Net Position	<u>(6,302,614)</u>	<u>(5,693,001)</u>
<b>NET POSITION</b>		
Beginning	<u>45,633,232</u>	<u>51,326,233</u>
Ending	<u>\$ 39,330,618</u>	<u>\$ 45,633,232</u>

### Sources of Revenues for 2014 Governmental Activities



### Expenses for 2014 Governmental Activities



## Governmental Activities

During 2014, governmental activities decreased the Village's net position by \$6,302,614.

For the fiscal year ended December 31, 2014, revenues from governmental activities totaled \$45,956,234, an increase of \$1,396,779, or 3.1%, over prior year revenues of \$44,559,455. Tax revenues (\$25,461,788), comprised of real property taxes, other tax items and non-property taxes, represented the largest revenue source (55.4%). Tax revenues in the prior year totaled \$24,429,113 and represented 54.8% of total 2013 revenues.

Charges for services revenues in 2014, the second largest revenue source, totaled \$14,947,062 and represented 32.5% of total revenues. In 2013, this revenue source aggregated \$14,211,822, which was 31.9% of total revenues.

Expenses incurred by governmental activities of the Village in 2014 totaled \$52,258,848, an increase of \$2,006,392 (4.0%) over prior year expenses of \$50,252,456. The largest components of governmental activities' expenses were public safety (34.1%), home and community services (29.9%), and transportation (13.9%). This was similar to last year when the largest components of government activities' expenses were public safety (34.7%), home and community services (29.7%), and transportation (14.2%).

The major changes in 2014 vs. 2013 were as follows:

### Revenue

- Real property taxes increased by \$846,446 to \$20,857,969, due primarily to the 2.88% real property tax increase in 2014.
- Charges for services were \$14,947,062 in 2014, which was \$735,240 (5.2%) more than the amount received in 2013 (\$14,211,822) and was due primarily to increased water and sewer rents revenues resulting from rate increases of 2.0% and 15.0%, respectively, over 2013 rates. The sewer rate increase was necessary to pay debt service costs on the \$5 million Kill Brook Sewer Capital Project.
- Non-property taxes increased by \$161,750 (3.8%) in 2014, to \$4,415,982, due primarily to increased sales tax distribution revenues in 2014.

### Expenses

- Home and community services expenses were \$711,840 (4.8%) higher in 2014, as compared to 2013, and were mostly attributable to higher expenses in the Water Fund for energy and utility costs (+\$286,613) and for purchase of water (+\$310,701).
- Economic opportunity and development expenses were \$895,112 in 2014, as compared to \$244,916 in 2013, with the difference due primarily to the refund of a developer contribution in lieu of providing affordable housing in the amount of \$725,000 that was received in a prior year. With the return of the contribution, the developer will instead include affordable housing in the planned project.
- Energy and utility costs (electricity, heating oil, natural gas, propane, and gasoline/diesel fuel) were approximately \$325,000 higher in 2014 than in 2013, an increase of 17.0% (to \$2,238,276). These expenses were spread throughout most program expense functions.
- Employee benefits: The Village's self-insured health and medical benefit claims expenses continued to show large increases year-to-year, and aggregated approximately \$6.8 million for 2014, an increase of about \$1,672,000 (32.5%) over 2013 expenses of \$5.1 million. Although self-insured workers' compensation benefit payments were higher in 2014 as compared to 2013, the year-end actuarial estimate of claims payable at December 31, 2014 was \$945,500 less than the estimate at the end of 2013, resulting in a net decrease in expenses. These expenses were

spread throughout all program expense functions (other than interest expense). The Village is self-insured for workers' compensation and health care expenses and, as a result, expenses can vary significantly year-to-year. In addition, some of these expenses are offset by stop-loss insurance recovery revenues (\$985,508 received for health and medical benefit claims and \$427,888 received for workers' compensation claims).

- Post-employment health care benefit expenses were recorded in 2014 in the amount of \$4,210,000, as compared to \$4,020,000 in 2013.

### **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.

#### **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 \$20,796,914, a net decrease of \$1,248,932 from the prior year amount of \$22,045,846.

The non-spendable fund balance component is \$859,146 at December 31, 2014 (\$1,057,387 in 2013), consisting of amounts representing prepaid expenditures and inventories. The restricted fund balance component of \$6,720,361 at December 31, 2014 (\$7,800,529 in 2013) indicates that it is not available for new spending because it has been restricted for crime control, capital projects, debt service and trusts. The committed fund balance component, \$8,003 at the end of 2014, consists of amounts set aside for economic development (\$5,470 in 2013). The assigned fund balance component of \$7,655,212 at the end of 2014 (\$8,176,658 in 2013) consists of amounts set aside for purchases on order (\$370,160), subsequent year expenditures (\$1,518,144), and amounts for Water Fund, Sewer Fund and Section 8 Housing Fund (\$5,766,908 total). The remainder of the fund balance at December 31, 2014, \$5,554,192 constitutes unassigned fund balance, all of which is in the General Fund. The amount of unassigned fund balance at December 31, 2013 (prior year) was \$5,005,802.

General Fund - The General Fund is the primary operating fund of the Village, and the majority of the Village's programs and activities are supported by this fund.

At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,554,192, representing 77.6% of the total General Fund balance of \$7,161,677. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures, and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a healthy 17.1% unassigned fund balance (\$5,554,192) to total expenditures and other financing uses (\$32,411,155), while total fund balance (\$7,161,677) represented 22.1% of that same amount.

When the fiscal 2014 General Fund budget was adopted, it anticipated the use of \$754,765 of fund balance, which was composed of \$650,000 appropriated from the previous year, plus \$104,765 for contract and purchase order commitments to be liquidated. During the year, the budget was amended, including the appropriation of restricted funds in the amount of \$13,605 for capital improvement expenditures. For the 2014 year, actual results of operations resulted in an increase to fund balance of \$322,148, which was \$1,090,518 different from the decrease anticipated in the modified budget (\$768,370 plus \$322,148).

Revenues and other financing sources were \$32,733,303, which was \$498,765 more than the final budget. The primary revenues that were more than estimated in the adopted budget were real property taxes (by \$172,626 – due to collection of prior year taxes), non-property tax distribution from County (by \$148,964), licenses and permits (by \$258,001 – mostly for building permits revenues), and insurance recoveries (by \$962,758 – mostly for health insurance stop loss revenues, of which \$775,000 was appropriated for hospital and medical benefits expenditures).

Expenditures and other financing uses were \$32,411,155, which was \$591,753 less than the final budget. Significant positive expenditure variances were for general government support (\$183,669) and employee benefits (\$260,333). Energy expenditures (electricity, heating oil, natural gas, and gasoline/diesel fuel) were \$326,042 more than budgeted (39.4% variance), which are reflected throughout most expenditure functions.

With respect to employee benefits, the Village is self-insured for workers' compensation benefits and health care benefits (hospital, medical and dental benefits). Consequently, expenditures can sometimes vary year-to-year, as shown below for the General Fund during the past four years:

<u>Year</u>	<u>Workers' Compensation</u>	<u>Hospital, Medical and Dental</u>
2014	\$1,037,148	\$5,710,874
2013	1,208,627	5,165,804
2012	998,146	3,830,127
2011	1,238,111	4,346,912

In 2014, the Village's General Fund received more than \$900,000 from stop loss insurance recovery revenues for the hospital, medical and dental benefits expenditures, of which \$775,000 was appropriated for such purpose.

Water Fund - The fund balance of the Water Fund decreased by \$360,182 during the year, and totaled \$5,450,607 at December 31, 2014. Of this amount, the assigned portion available for future year use was \$5,114,704 (\$5,472,994 in 2013), of which \$500,000 was appropriated in the 2015 adopted budget. It is important to note that water rents receivables at year-end, aggregating approximately \$2.80 million, were billed through March 2015, and although included in fund balance, are not available as cash at year-end.

Revenues and other financing sources of \$9,464,321 were \$119,507 more than estimated in the budget. Expenditures and other financing uses of \$9,822,503 were \$360,668 less than budgeted in 2014, even though the Village had appropriated fund balance of \$702,800 during the year for the following purposes: (1) \$188,000 for a drinking water source expansion engineering study, (2) \$149,800 for the Indian Brook Water Treatment Plant generator capital project, and (3) \$365,000 for energy and utility expenses and water purchase costs that were higher than budgeted, and for extraordinary expenses related to major water main breaks resulting from cold weather.

Sewer Fund - The fund balance of the Sewer Fund increased by \$36,672 and aggregated \$1,523,792 at December 31, 2014. The portion of fund balance that was assigned and available for future year use at year-end was \$1,498,557 (\$1,467,569 in 2013), which included \$80,000 that was appropriated in the 2015 budget. Similar to the Water Fund, a significant portion of fund balance at year-end (\$413,281) is in the form of sewer rents receivables that are billed through March 2015.

Revenues of \$1,406,049 were \$63,009 more than estimated in the budget. Fiscal year expenditures and other uses of \$1,369,377 were \$84,465 less than budgeted. In 2013, the Village started a significant capital project for the rehabilitation and restoration of the Kill Brook sewer line and stream bed/bank stabilization at an estimated cost of \$5,008,000, and such project continued throughout 2014 and is expected to be completed in 2015.

Debt Service Fund - The Debt Service Fund ended its fiscal year with a fund balance of \$833,285, a decrease of \$200,520 from the prior year. While the 2014 adopted budget provided for the appropriation of fund balance in the amount of \$272,703, 2014 operations included revenues of \$97,311 in excess of budget estimates. Of the total fund balance at year-end, \$288,144 was appropriated in the 2015 budget.

Section 8 Housing Fund - The Section 8 Housing Fund, which provides Housing Assistance Payments (HAP) for eligible tenants, ended its fiscal year with a fund balance of \$21,477, a decrease of \$194,784 from the prior year, on revenues and other financing sources of \$2,940,049. The primary reasons for the reduction in fund balance was the planned use of accumulated fund balance for HAP program expenditures (in the amount of \$56,446) and required use of remaining fund balance by the U.S. Department of Housing and Urban Development (HUD).

Special Purpose Fund - The fund balance of the Special Purpose Fund decreased by \$526,015 during the year, and totaled \$1,175,162 as of December 31, 2014. The primary reason for the fund balance decrease was the refund of a developer contribution in the amount of \$725,000 that had been received in a prior year.

Capital Projects Fund - The Capital Projects Fund ended its 2014 fiscal year with a fund balance of \$4,630,914, from a prior year fund balance of \$4,957,165. Revenues and other financing sources totaled \$5,602,348 for 2014, and expenditures and other financing uses totaled \$5,928,599.

### **Proprietary Funds**

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Total net position of the Internal Service Funds at December 31, 2014 was a combined restricted net position balance of \$1,076,925, from an net position deficit of \$184,011 for 2013. The General Liability Claims Fund had a net position balance of \$176,740, and the Workers' Compensation Benefits Fund had a net position balance of \$900,185 (was a deficit balance of \$485,486 at the end of 2013). Total assets were \$4,203,425, and total liabilities were \$3,126,500 at year-end.

In the Workers' Compensation Benefits Fund, total revenues were \$1,688,695 and operating expenses were \$303,024, resulting in an increase in net position of \$1,385,671. Based on computations from the Village's actuary, the accrued liability at year-end for workers' compensation benefits was decreased by \$945,500, as compared to an increase of \$1,074,000 at the end of 2013 (prior year). In the General Liability Claims Fund, total revenues were \$745,032 and operating expenses were \$869,767, resulting in a decrease in net position of \$124,735.

Given the net position deficit of \$485,486 as of the end of 2013 (prior year) in the Workers' Compensation Benefits Fund, and the Village's prior year plan to reduce and eliminate the net position deficit in 2014 or in a near future year, the Village was pleased with the actuary's determination that a restricted net position balance of \$900,185 existed at December 31, 2014. The Village will continue to monitor the balance in the Workers' Compensation Benefits Fund, and will plan to reduce the accumulated balance over several years if the actuary determines that a surplus continues.

## **Budgetary Highlights**

### **General Fund**

For 2014, the difference between the appropriations originally budgeted (\$31,634,947) and the final appropriations for the General Fund (\$33,002,908) was an increase to the budget of \$1,367,961, for the following purposes:

- for the appropriation of unanticipated revenues received during the year, \$24,163;
- for excess revenues appropriated for expenditures, \$465,193, including \$139,000 for high energy and utility expenses, \$57,388 for sidewalk repairs; and \$57,145 for snow removal expenditures;
- for the appropriation of stop-loss insurance recovery revenues for health and medical benefits costs, \$775,000;
- for the appropriation of bond proceeds for tax certiorari claims, \$90,000; and,
- for the appropriation of capital reserves in the amount of \$13,605, for expenditure.

### **Water Fund**

The Water Fund appropriations were increased by \$772,800 during 2014, to \$10,183,171. Similar to the General Fund, the Village appropriated stop loss revenues of \$70,000 in the Water Fund for health and medical benefits expenditures, and appropriated fund balance of \$365,000 for unanticipated and extraordinary expenditures (\$162,682 for energy and utility costs, \$125,186 for purchase of water, and \$77,132 for transmission and distribution expenditures as a result of significant water main breaks). The Village also appropriated fund balance in the amount of \$149,800 for additional project expenditures in connection with the Indian Brook Water Treatment Plant generator (instead of issuing additional serial bonds), and \$188,000 to pay for outside consultant engineering work to study drinking water source expansion.

### **Sewer Fund**

The Sewer Fund budget was also increased during 2014, by \$25,000, to \$1,453,842, for health insurance stop loss revenues that were appropriated for health and medical benefits costs.

### **Section 8 Housing Fund**

The budget for the Section 8 Housing Fund was increased by \$193,084 during the year, to \$3,153,151, to reflect an increase in anticipated Federal aid during the year of \$40,903, plus to appropriate accumulated fund balance of \$152,181 for tenant voucher payments, as required by HUD.

## **Capital Assets and Debt Administration**

### **Capital Assets**

The Village's investment in capital assets for governmental activities at December 31, 2014, net of \$140,198,666 of accumulated depreciation, was \$74,033,364. This investment in capital assets includes land, land improvements, buildings and improvements, infrastructure, machinery and equipment, and construction-in-progress.

Major capital asset activity during the current fiscal year included the following:

**Capital Assets December 31,**

<u>Asset</u>	<u>2014 Governmental Activities</u>	<u>2013 Governmental Activities</u>
Land	\$ 2,475,762	\$ 2,475,762
Land Improvements	5,140,853	3,328,663
Buildings and Improvements	44,507,139	44,381,779
Infrastructure	144,275,652	141,602,516
Machinery and Equipment	15,946,557	15,355,314
Construction-in-Progress	1,886,067	1,261,678
Less: Accumulated Depreciation	<u>(140,198,666)</u>	<u>(134,905,081)</u>
Total (Net of Depreciation)	<u>\$ 74,033,364</u>	<u>\$ 73,500,631</u>

**Long-Term Debt /Short-Term Debt**

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$29,828,000. As required by New York State law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

During the 2014 fiscal year, the Village issued general obligation bonds of \$4,718,000 to finance sewer improvements in the Kill Brook area which were mandated by the NYS Department of Environmental Conservation (\$2,893,000), three generators (\$1,105,000 – for Indian Brook Water Treatment Plant, \$808,100; Pleasantville Road water pump station, \$130,000; and Rodrigues Operations Center, \$166,900), for police vehicles and motorcycles (\$185,000), Parks Department trucks (\$90,000), DPW equipment (\$20,000), Police Department radio repeater system (\$85,000), and for tax certiorari claims (\$340,000). Included in this bond was \$2,185,000 previously funded through the issuance of bond anticipation notes (BAN's). During the year, the Village retired \$2,286,500 of general obligation debt from budgetary appropriations.

Also during the current fiscal year, the Village issued short-term obligations (bond anticipation notes (BAN's)) of \$4,111,787 to finance water mains relining and replacements (\$2,600,000), and to renew prior year capital projects BAN's for \$1,511,787. The Village retired \$282,706 of short-term debt from budgetary appropriations during the year, and, as noted above, converted \$2,185,000 into a serial bond in 2014.

With the issuance of the serial bonds and BAN, Moody's Investors Service assigned an Aa2 credit rating on the bonds and MIG 1 rating on the notes, and affirmed the Aa2 credit rating on all outstanding debt of the Village.

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law, the Village must limit total outstanding long-term debt to no more than 7% of the five-year average full valuation of real property. As of November 2014 when the serial bond was issued, the Village had exhausted 14.79% of its constitutional debt limit, and had the authority to issue an additional \$116,591,934 of general obligation long-term debt.

Additional information on the Village's long-term and short-term debt can be found in Note 3 in the notes to the financial statements.

### **Next Year's Budgets and Rates**

In the 2015 General Fund adopted budget, the Village appropriated \$650,000 of unassigned fund balance for spending in fiscal 2015. The real property tax rate for the 2015 Village General Fund is \$188.9107 per \$1,000 of taxable assessed value, an increase of 1.07% over the prior year 2014 tax rate. The 2015 adopted budget was within the property tax levy limitations. No local law was considered to authorize an override of the property tax levy limitations.

### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Ossining, New York's finances for all those who are interested. Questions and comments concerning any of the information provided in this report should be addressed to Thomas E. Warren, Village Treasurer, Village of Ossining, 16 Croton Avenue, Ossining, New York 10562, or by e-mail to [twarren@villageofossining.org](mailto:twarren@villageofossining.org).

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Village of Ossining, New York

Statement of Net Position  
December 31, 2014

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 27,393,314
Receivables	
Taxes, net	209,509
Accounts	3,640,498
State and Federal aid	152,217
Due from other governments	1,009,951
Prepaid expenses	841,010
Inventories	18,136
Capital assets	
Not being depreciated	4,361,829
Being depreciated, net	<u>69,671,535</u>
Total Assets	<u>107,297,999</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts on refunding bonds	<u>506,127</u>
<b>LIABILITIES</b>	
Accounts payable	2,017,805
Accrued liabilities	993,211
Retained percentages	267,720
Unearned revenues	313,551
Bond anticipation notes payable	4,111,787
Accrued interest payable	145,446
Non-current liabilities	
Due within one year	3,319,446
Due in more than one year	<u>56,890,012</u>
Total Liabilities	<u>68,058,978</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Taxes collected in advance	<u>414,530</u>
<b>NET POSITION</b>	
Net investment in capital assets	49,966,281
Restricted for	
Crime control	29,391
Future capital projects	339,753
Debt service	833,285
Workers' compensation benefits	900,185
General liability claims	176,740
Water	2,367,672
Sewer	926,469
Trusts	1,175,162
Unrestricted	<u>(17,384,320)</u>
Total Net Position	<u>\$ 39,330,618</u>

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

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Village of Ossining, New York

Statement of Activities  
Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities</b>					
General government support	\$ 5,274,029	\$ 1,158,709	\$ 26,641	\$ 3,143	\$ (4,085,536)
Public safety	17,807,457	1,106,118	21,573	-	(16,679,766)
Health	1,630	712	-	-	(918)
Transportation	7,277,809	520,304	-	395,884	(6,361,621)
Economic opportunity and development	895,112	-	376,180	-	(518,932)
Culture and recreation	4,431,265	1,155,242	91,822	12,000	(3,172,201)
Home and community services	15,618,451	11,005,977	3,002,341	72,000	(1,538,133)
Interest	953,095	-	-	68,931	(884,164)
<b>Total Governmental Activities</b>	<b>\$ 52,258,848</b>	<b>\$ 14,947,062</b>	<b>\$ 3,518,557</b>	<b>\$ 551,958</b>	<b>(33,241,271)</b>
<b>General revenues</b>					
Real property taxes					20,857,969
Other tax items					
Payments in lieu of taxes					35,609
Interest and penalties on real property taxes					152,228
Non-property taxes					
Utilities gross receipts taxes					299,967
Franchise fees					467,051
Non-property tax distribution from County					3,648,964
Unrestricted use of money and property					18,722
Sale of property and compensation for loss					27,851
Unrestricted State aid					394,907
Miscellaneous					72,631
Insurance recoveries					962,758
<b>Total General Revenues</b>					<b>26,938,657</b>
<b>Change in Net Position</b>					<b>(6,302,614)</b>
<b>Net Position - Beginning</b>					<b>45,633,232</b>
<b>Net Position - Ending</b>					<b>\$ 39,330,618</b>

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

Village of Ossining, New York

Balance Sheet  
 Governmental Funds  
 December 31, 2014

	General	Water	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 7,627,023	\$ 3,175,311	\$ 833,285
Taxes receivable, net of allowance for uncollectible taxes	209,509	-	-
Other receivables			
Accounts	222,896	2,799,855	-
State and Federal aid	72,258	1,264	-
Due from other funds	3,968	-	-
Due from other governments	987,346	6,580	-
	<u>1,286,468</u>	<u>2,807,699</u>	<u>-</u>
Prepaid expenditures	687,777	120,169	-
Inventories	18,136	-	-
Total Assets	<u>\$ 9,828,913</u>	<u>\$ 6,103,179</u>	<u>\$ 833,285</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 949,950	\$ 463,197	\$ -
Accrued liabilities	883,267	103,678	-
Retained percentages	-	-	-
Unearned revenues	268,314	13,202	-
Due to other funds	5,483	72,495	-
Bond anticipation notes payable	-	-	-
Total Liabilities	<u>2,107,014</u>	<u>652,572</u>	<u>-</u>
Deferred inflows of resources			
Taxes collected in advance	414,530	-	-
Deferred tax revenues	145,692	-	-
Total Deferred Inflows of Resources	<u>560,222</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,667,236</u>	<u>652,572</u>	<u>-</u>
Fund balances			
Nonspendable	705,913	120,169	-
Restricted	153,410	215,734	545,141
Committed	8,003	-	-
Assigned	740,159	5,114,704	288,144
Unassigned	5,554,192	-	-
Total Fund Balances	<u>7,161,677</u>	<u>5,450,607</u>	<u>833,285</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,828,913</u>	<u>\$ 6,103,179</u>	<u>\$ 833,285</u>

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ 9,311,435	\$ 2,415,266	\$ 23,362,320
-	-	209,509
-	445,316	3,468,067
74,018	4,677	152,217
175,739	14,700	194,407
16,025	-	1,009,951
265,782	464,693	4,824,642
-	33,064	841,010
-	-	18,136
<u>\$ 9,577,217</u>	<u>\$ 2,913,023</u>	<u>\$ 29,255,617</u>
\$ 557,579	\$ 47,079	\$ 2,017,805
-	6,266	993,211
267,720	-	267,720
-	32,035	313,551
9,217	107,212	194,407
4,111,787	-	4,111,787
4,946,303	192,592	7,898,481
-	-	414,530
-	-	145,692
-	-	560,222
4,946,303	192,592	8,458,703
-	33,064	859,146
4,630,914	1,175,162	6,720,361
-	-	8,003
-	1,512,205	7,655,212
-	-	5,554,192
4,630,914	2,720,431	20,796,914
<u>\$ 9,577,217</u>	<u>\$ 2,913,023</u>	<u>\$ 29,255,617</u>

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## Village of Ossining, New York

Reconciliation of the Governmental Funds Balance Sheet to  
the Government-Wide Statement of Net Position  
December 31, 2014

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Fund Balances - Total Governmental Funds	\$ 20,796,914
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>74,033,364</u>
Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred amounts on refunding bonds	<u>506,127</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	<u>145,692</u>
Internal service funds are used by management to charge the costs of insurance in the governmental funds. The assets and liabilities of the Internal Service funds are included in governmental activities in the statement of net position.	<u>1,076,925</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(145,446)
Bonds payable	(30,514,145)
Energy performance contract payable	(858,205)
Claims payable	(174,273)
Compensated absences	(1,146,335)
Other post employment benefit obligations payable	<u>(24,390,000)</u>
	<u>(57,228,404)</u>
Net Position of Governmental Activities	<u>\$ 39,330,618</u>

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

Village of Ossining, New York

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended December 31, 2014

	General	Water	Debt Service
<b>REVENUES</b>			
Real property taxes	\$ 20,953,050	\$ -	\$ -
Other tax items	187,837	-	-
Non-property taxes	4,415,982	-	-
Departmental income	1,670,303	9,285,432	-
Intergovernmental charges	1,416,598	-	-
Use of money and property	278,975	5,558	68,931
Licenses and permits	505,001	-	-
Fines and forfeitures	446,576	-	-
Sale of property and compensation for loss	27,851	74,299	-
Interfund revenues	797,935	-	-
State aid	446,443	58	-
Federal aid	7,544	479	-
Miscellaneous	94,897	21,495	-
<b>Total Revenues</b>	<b>31,248,992</b>	<b>9,387,321</b>	<b>68,931</b>
<b>EXPENDITURES</b>			
Current			
General government support	3,396,757	426,965	-
Public safety	9,495,319	-	-
Health	1,630	-	-
Transportation	2,422,335	-	-
Economic opportunity and development	119,104	-	-
Culture and recreation	2,515,664	-	-
Home and community services	1,834,539	6,592,868	-
Employee benefits	10,768,279	1,210,489	-
Debt service			
Principal	20,179	46,460	2,286,500
Interest	2,686	9,270	936,595
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>30,576,492</b>	<b>8,286,052</b>	<b>3,223,095</b>
Excess (Deficiency) of Revenues Over Expenditures	672,500	1,101,269	(3,154,164)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	340,000	-	-
Insurance recoveries	962,758	-	-
Transfers in	181,553	75,000	3,166,294
Transfers out	(1,834,663)	(1,536,451)	(212,650)
<b>Total Other Financing Sources (Uses)</b>	<b>(350,352)</b>	<b>(1,461,451)</b>	<b>2,953,644</b>
Net Change in Fund Balances	322,148	(360,182)	(200,520)
<b>FUND BALANCES</b>			
Beginning of Year	6,839,529	5,810,789	1,033,805
End of Year	<u>\$ 7,161,677</u>	<u>\$ 5,450,607</u>	<u>\$ 833,285</u>

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ -	\$ -	\$ 20,953,050
-	-	187,837
-	-	4,415,982
-	1,363,211	12,318,946
-	-	1,416,598
-	3,472	356,936
-	-	505,001
-	-	446,576
-	26,542	128,692
-	-	797,935
369,572	-	816,073
72,000	2,857,167	2,937,190
41,455	470,085	627,932
<u>483,027</u>	<u>4,720,477</u>	<u>45,908,748</u>
-	117,649	3,941,371
-	-	9,495,319
-	-	1,630
-	-	2,422,335
-	744,461	863,565
-	19,609	2,535,273
-	3,766,888	12,194,295
-	311,902	12,290,670
-	-	2,353,139
-	8,464	957,015
<u>5,783,826</u>	<u>-</u>	<u>5,783,826</u>
<u>5,783,826</u>	<u>4,968,973</u>	<u>52,838,438</u>
<u>(5,300,799)</u>	<u>(248,496)</u>	<u>(6,929,690)</u>
4,378,000	-	4,718,000
-	-	962,758
741,321	121,957	4,286,125
<u>(144,773)</u>	<u>(557,588)</u>	<u>(4,286,125)</u>
<u>4,974,548</u>	<u>(435,631)</u>	<u>5,680,758</u>
(326,251)	(684,127)	(1,248,932)
<u>4,957,165</u>	<u>3,404,558</u>	<u>22,045,846</u>
<u>\$ 4,630,914</u>	<u>\$ 2,720,431</u>	<u>\$ 20,796,914</u>

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## Village of Ossining, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2014

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (1,248,932)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures	6,169,278
Depreciation expense	<u>(5,636,545)</u>
	<u>532,733</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>(95,081)</u>
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
Bonds issued	(4,718,000)
Principal paid on bonds	2,286,500
Principal paid on energy performance contract	66,639
Amortization of loss on refunding bonds and issuance premium	<u>7,830</u>
	<u>(2,357,031)</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued interest	(3,910)
Claims payable	(174,273)
Compensated absences	(7,056)
Other post employment benefit obligations	<u>(4,210,000)</u>
	<u>(4,395,239)</u>
<p>Internal Service funds are used by management to charge the costs of risk to individual funds. The net revenue of the Internal Service funds is reported within governmental activities.</p>	
	<u>1,260,936</u>
Change in Net Position of Governmental Activities	<u>\$ (6,302,614)</u>

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

Village of Ossining, New York

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
General and Water Funds  
Year Ended December 31, 2014

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 20,780,424	\$ 20,780,424	\$ 20,953,050	\$ 172,626
Other tax items	184,840	184,840	187,837	2,997
Non-property taxes	4,175,000	4,370,830	4,415,982	45,152
Departmental income	1,636,350	1,689,943	1,670,303	(19,640)
Intergovernmental charges	1,387,051	1,426,874	1,416,598	(10,276)
Use of money and property	282,793	282,793	278,975	(3,818)
Licenses and permits	247,000	424,720	505,001	80,281
Fines and forfeitures	421,000	421,000	446,576	25,576
Sale of property and compensation for loss	10,000	28,540	27,851	(689)
Interfund revenues	797,935	797,935	797,935	-
State aid	422,608	426,458	446,443	19,985
Federal aid	-	-	7,544	7,544
Miscellaneous	92,256	92,256	94,897	2,641
<b>Total Revenues</b>	<b>30,437,257</b>	<b>30,926,613</b>	<b>31,248,992</b>	<b>322,379</b>
<b>EXPENDITURES</b>				
Current				
General government support	3,866,129	3,580,426	3,396,757	183,669
Public safety	9,071,889	9,537,622	9,495,319	42,303
Health	3,125	1,630	1,630	-
Transportation	2,184,765	2,459,128	2,422,335	36,793
Economic opportunity and development	125,303	124,648	119,104	5,544
Culture and recreation	2,420,571	2,524,295	2,515,664	8,631
Home and community services	1,798,892	1,865,804	1,834,539	31,265
Employee benefits	10,288,612	11,028,612	10,768,279	260,333
Debt service				
Principal	24,721	24,721	20,179	4,542
Interest	12,400	12,400	2,686	9,714
<b>Total Expenditures</b>	<b>29,796,407</b>	<b>31,159,286</b>	<b>30,576,492</b>	<b>582,794</b>
Excess (Deficiency) of Revenues Over Expenditures	640,850	(232,673)	672,500	905,173
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	250,000	340,000	340,000	-
Insurance recoveries	10,000	785,000	962,758	177,758
Transfers in	182,925	182,925	181,553	(1,372)
Transfers out	(1,838,540)	(1,843,622)	(1,834,663)	8,959
<b>Total Other Financing Uses</b>	<b>(1,395,615)</b>	<b>(535,697)</b>	<b>(350,352)</b>	<b>185,345</b>
<b>Net Change in Fund Balances</b>	<b>(754,765)</b>	<b>(768,370)</b>	<b>322,148</b>	<b>1,090,518</b>
<b>FUND BALANCE</b>				
Beginning of Year	754,765	768,370	6,839,529	6,071,159
End of Year	\$ -	\$ -	\$ 7,161,677	\$ 7,161,677

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

Water Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
9,184,814	9,184,814	9,285,432	100,618
-	-	-	-
3,000	3,000	5,558	2,558
-	-	-	-
-	-	-	-
-	70,000	74,299	4,299
-	-	-	-
-	-	58	58
-	-	479	479
10,000	10,000	21,495	11,495
<u>9,197,814</u>	<u>9,267,814</u>	<u>9,387,321</u>	<u>119,507</u>
564,493	685,915	426,965	258,950
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
6,163,200	6,647,778	6,592,868	54,910
1,204,573	1,251,573	1,210,489	41,084
58,894	48,894	46,460	2,434
32,553	12,553	9,270	3,283
<u>8,023,713</u>	<u>8,646,713</u>	<u>8,286,052</u>	<u>360,661</u>
<u>1,174,101</u>	<u>621,101</u>	<u>1,101,269</u>	<u>480,168</u>
-	-	-	-
-	-	-	-
75,000	75,000	75,000	-
(1,386,658)	(1,536,458)	(1,536,451)	7
<u>(1,311,658)</u>	<u>(1,461,458)</u>	<u>(1,461,451)</u>	<u>7</u>
(137,557)	(840,357)	(360,182)	480,175
<u>137,557</u>	<u>840,357</u>	<u>5,810,789</u>	<u>4,970,432</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,450,607</u>	<u>\$ 5,450,607</u>

Village of Ossining, New York

Statement of Net Position  
Internal Service Funds  
December 31, 2014

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	Governmental Activities - Internal Service Funds
<b>ASSETS</b>	
Cash and equivalents	\$ 4,030,994
Accounts receivable	<u>172,431</u>
Total Assets	<u>4,203,425</u>
<b>LIABILITIES</b>	
Current liabilities	
Current portion of claims payable	312,650
Claims payable, less current portion	<u>2,813,850</u>
Total Liabilities	<u>3,126,500</u>
<b>NET POSITION</b>	
Restricted	<u><u>\$ 1,076,925</u></u>

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

Village of Ossining, New York

Statement of Revenues, Expenses and Changes  
in Net Position  
Internal Service Funds  
Year Ended December 31, 2014

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	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>	
Charges for services	\$ 1,992,344
Insurance recoveries	435,428
	<hr/>
Total Operating Revenues	2,427,772
	<hr/>
<b>OPERATING EXPENSES</b>	
Insurance	948,569
Contractual	224,146
Employee benefits	(115,485)
Judgments and claims	115,561
	<hr/>
Total Operating Expenses	1,172,791
	<hr/>
Income from Operations	1,254,981
	<hr/>
<b>NON-OPERATING REVENUES</b>	
Interest income	5,955
	<hr/>
Change in Net Position	1,260,936
	<hr/>
<b>NET POSITION</b>	
Beginning of Year	(184,011)
	<hr/>
End of Year	\$ 1,076,925
	<hr/> <hr/>

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

Village of Ossining, New York

Statement of Cash Flows  
Internal Service Funds  
Year Ended December 31, 2014

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	Governmental Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from charges for services and insurance recoveries	\$ 2,802,535
Cash payments to insurance carriers and claimants	<u>(2,100,291)</u>
Net Cash from Operating Activities	<u>702,244</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	<u>5,955</u>
Net Change in Cash and Equivalents	708,199
Cash and Equivalents - Beginning of Year	<u>3,322,795</u>
Cash and Equivalents - End of Year	<u><u>\$ 4,030,994</u></u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>	
Income from operations	\$ 1,254,981
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Accounts receivable	(125,237)
Due from other funds	500,000
Claims payable	<u>(927,500)</u>
Net Cash from Operating Activities	<u><u>\$ 702,244</u></u>

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

Village of Ossining, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2014

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 283,219
Accounts receivable	<u>4,495</u>
Total Assets	<u><u>\$ 287,714</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 19,018
Employee payroll deductions	4,707
Deposits	<u>263,989</u>
Total Liabilities	<u><u>\$ 287,714</u></u>

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

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

The Village of Ossining, New York ("Village") was established in 1813 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

**A. Financial Reporting Entity**

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

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

**B. Government-Wide Financial Statements**

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Internal Service funds are charges to customers for services. Operating expenses for the Internal Service funds include the cost of services, administrative expenses and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are legally restricted, committed or assigned to expenditures for certain defined purposes. The major special revenue fund of the Village is as follows:

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

Water Fund - The Water Fund is used to record the water operations of the Village which render services on a user charge basis to the general public. The major revenue source of this fund is departmental income.

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

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

The Village also reports the following non-major special revenue funds:

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

Section 8 Housing Fund - The Section 8 Housing Fund is used to account for resources received from the U.S. Department of Housing and Urban Development for housing assistance payment purposes.

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

- b. Proprietary Funds - Proprietary funds consist of internal service funds. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Village has established its Workers' Compensation Benefits and General Liability Claims funds as internal service funds.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Village's Agency Fund is primarily utilized to account for various deposits that are payable to other jurisdictions or individuals.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Internal Service funds. The

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**Deposits and Risk Disclosure**

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

The Village's investment policies are governed by State statutes. The Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions accordingly, the Village's policy provides for no credit risk on investments.

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

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

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2014.

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

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property as of January 1st and are levied and payable in two installments due in January and July. The Village is responsible for the billing and collection of its taxes. The Village is also responsible for conducting in-rem foreclosure proceedings.

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

**Due From/To Other Funds** - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2014, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Reported amounts in the governmental funds are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Inventories** - Inventoriable items in the General Fund consist of materials and supplies and are recorded at cost on a first-in, first-out basis. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The Village uses the consumption method to relieve inventory. Reported inventories are equally offset by nonspendable fund balance in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase and year-end balances are not material.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

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

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

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

<u>Class</u>	<u>Life in Years</u>
Land improvements	20
Buildings and improvements	10 - 50
Infrastructure	20 - 100
Machinery and equipment	5 - 25

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

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$268,314 for parking and other payments received in advance in the General Fund. Unearned revenues of \$32,035 are reflected in the Section 8 Housing Fund and \$13,202 is reflected in the Water Fund for miscellaneous items. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

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

The Village reported deferred outflows of resources of \$506,127 for a deferred loss on refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Village reported deferred inflows of resources of \$145,692 for real property taxes in the General Fund. The Village also reported deferred inflows of resources of \$414,530 for taxes collected in advance in the General Fund and in the government-wide Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

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

**Net Position** - Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for: crime control, future capital projects, debt service, workers' compensation benefits, general liability claims, water, sewer and trusts. The balance is classified as unrestricted.

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

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

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

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Village Board for amounts assigned for balancing the subsequent year's budget or the Village Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned, and unassigned.

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Water, Sewer and Section 8 Housing funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

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

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is May 5, 2015.

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

**A. Budgetary Data**

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

- a) On or before the first regular meeting of the Board of Trustees in November, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the means of financing.
- b) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments at the second regular meeting in November.
- c) After the public hearing and on or before the first regular meeting in December, the Trustees meet to consider and adopt the budget, at which time they are required to file the document with the Village Clerk.
- d) Formal budgetary integration is employed during the year as a management control device for General, Water, Sewer, Section 8 Housing and Debt Service funds.
- e) Budgets for General, Water, Sewer, Section 8 Housing 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 basis. Annual budgets are not adopted by the Board of Trustees for the Special Purpose or Proprietary funds.
- f) The Board of Trustees has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

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

- g) Appropriations in the General, Water, Sewer, Section 8 Housing and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

**B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2014 fiscal year was \$39,094,322 which exceeded the actual levy by \$18,141,272.

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

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

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

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

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

**C. Capital Projects Fund Individual Project Deficits**

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

**Note 3 - Detailed Notes on All Funds**

**A. Taxes Receivable**

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

Taxes - Current	\$ 273,459
Taxes - Overdue	<u>235,943</u>
	509,402
Allowance for uncollectible taxes	<u>(299,893)</u>
	<u>\$ 209,509</u>

Taxes receivable in the fund financial statements are partially offset by deferred tax revenues of \$145,692, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

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

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 3,968	\$ 5,483
Water Fund	-	72,495
Capital Projects	175,739	9,217
Non-Major Governmental	<u>14,700</u>	<u>107,212</u>
	<u>\$ 194,407</u>	<u>\$ 194,407</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

**C. Capital Assets**

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

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Capital Assets, not being depreciated				
Land	\$ 2,475,762	\$ -	\$ -	\$ 2,475,762
Construction-in-progress	1,261,678	5,273,258	4,648,869	1,886,067
<b>Total Capital Assets, not being depreciated</b>	<b>\$ 3,737,440</b>	<b>\$ 5,273,258</b>	<b>\$ 4,648,869</b>	<b>\$ 4,361,829</b>
Capital Assets, being depreciated				
Land improvements	\$ 3,328,663	\$ 1,812,190	\$ -	\$ 5,140,853
Buildings and improvements	44,381,779	125,360	-	44,507,139
Infrastructure	141,602,516	2,727,136	54,000	144,275,652
Machinery and equipment	15,355,314	880,203	288,960	15,946,557
<b>Total Capital Assets, being depreciated</b>	<b>204,668,272</b>	<b>5,544,889</b>	<b>342,960</b>	<b>209,870,201</b>
Less Accumulated Depreciation for				
Land improvements	1,931,099	177,857	-	2,108,956
Buildings and improvements	17,381,813	1,512,018	-	18,893,831
Infrastructure	103,306,485	3,320,987	54,000	106,573,472
Machinery and equipment	12,285,684	625,683	288,960	12,622,407
<b>Total Accumulated Depreciation</b>	<b>134,905,081</b>	<b>5,636,545</b>	<b>342,960</b>	<b>140,198,666</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>\$ 69,763,191</b>	<b>\$ (91,656)</b>	<b>\$ -</b>	<b>\$ 69,671,535</b>
<b>Capital Assets, net</b>	<b>\$ 73,500,631</b>	<b>\$ 5,181,602</b>	<b>\$ 4,648,869</b>	<b>\$ 74,033,364</b>

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

Governmental Activities:	
General Government Support	\$ 200,612
Public Safety	566,296
Transportation	3,007,366
Culture and Recreation	637,769
Home and Community Services	1,224,502
<b>Total Depreciation Expense</b>	<b>\$ 5,636,545</b>

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

**D. Health Claim Liabilities**

The financial statements reflect the liability for health benefit claims. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on various factors such as inflation, the process used in computing claims liabilities does not necessarily result in an exact amount. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed on both actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. The following health claim liabilities are included within accounts payable in the entity-wide and fund financial statements.

An analysis of the activity of unpaid health benefit claim liabilities is as follows:

	<u>Year Ended December 31,</u>	
	<u>2014</u>	<u>2013</u>
Balance - Beginning of Year - Health Claim Liabilities	\$ 899,280	\$ 301,277
Provision for Claims and Claims Adjustment Expenses	6,344,733	5,740,981
Claims and Claims Adjustment Expenses Paid	<u>(6,815,336)</u>	<u>(5,142,978)</u>
Balance - End of Year - Health Claim Liabilities	<u>\$ 428,677</u>	<u>\$ 899,280</u>

**E. Accrued Liabilities**

Accrued liabilities at December 31, 2014 were as follows:

	<u>Fund</u>			
	<u>General</u>	<u>Water</u>	<u>Other Governmental</u>	<u>Total</u>
Payroll and Employee Benefits	\$ 851,427	\$ 103,678	\$ 6,266	\$ 961,371
Other	<u>31,840</u>	<u>-</u>	<u>-</u>	<u>31,840</u>
	<u>\$ 883,267</u>	<u>\$ 103,678</u>	<u>\$ 6,266</u>	<u>\$ 993,211</u>

**F. Pension Plans**

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") ("Systems"). These Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained

**Village of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2014

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

by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The Systems are non-contributory except for employees in tiers 3 and 4 that joined ERS and have less than ten years of service, who contribute 3% of their salary, employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2015 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	27.7 %
	3 A14	20.3
	4 A15	20.3
	5 A15	16.6
	6 A15	10.9
PFRS	1 375I	28.7
	2 384D	27.3
	5 384D	22.0
	6 384D	15.4

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

	<u>ERS</u>	<u>PFRS</u>
2014	\$ 1,756,590	\$ 1,795,744
2013	1,738,790	1,775,181
2012	1,596,992	1,538,378

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

The current ERS and PFRS contributions for the Village were charged to the funds identified below.

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 1,204,204	\$ 1,795,744
Water	447,471	-
Sewer	76,846	-
Section 8 Housing	28,069	-
	<u>\$ 1,756,590</u>	<u>\$ 1,795,744</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

**G. Short-Term Capital Borrowings – Bond Anticipation Notes**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2014	New Issues	Redemptions	Balance December 31, 2014
Fire Chief's Vehicle	2011	-	- %	\$ 11,666	\$ -	\$ 11,666	\$ -
Indian Brook Water Reservoir and Dam	2012	11/15	1.00	1,425,000	-	75,000	1,350,000
Police Vehicles 2012	2012	11/15	1.00	46,667	-	23,333	23,334
Fire Department SCBA Cylinders	2012	11/15	1.00	28,160	-	7,040	21,120
Fire Chief's Vehicle	2013	11/15	1.00	48,000	-	16,000	32,000
Police Vehicles 2012/2013	2013	11/15	1.00	80,000	-	26,667	53,333
DPW Truck	2013	11/15	1.00	40,000	-	8,000	32,000
Sing Sing Kill Sewer Improvements	2013	-	-	2,300,000	-	2,300,000	-
Water Mains Relining and Replacement	2014	11/15	1.00	-	2,600,000	-	2,600,000
				<u>\$ 3,979,493</u>	<u>\$ 2,600,000</u>	<u>\$ 2,467,706</u>	<u>\$ 4,111,787</u>

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

Interest expenditures/expenses of \$39,795 were recorded in the fund financial statements in the following funds and in the government-wide financial statements.

Fund	Amount
General	\$ 937
Water	5,244
Sewer	8,464
Debt Service	<u>25,150</u>
	<u>\$ 39,795</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

**H. Long-Term Liabilities**

The following table summarizes changes in the Village's long-term indebtedness for the year ended December 31, 2014:

	Balance January 1, 2014	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2014	Due Within One Year
Bonds Payable					
Capital Construction	\$ 25,503,923	\$ 4,378,000	\$ 2,172,148	\$ 27,709,775	\$ 2,479,068
Other	1,892,577	340,000	114,352	2,118,225	148,932
	27,396,500	4,718,000	2,286,500	29,828,000	2,628,000
Plus					
Unamortized premium on bonds	763,690	-	77,545	686,145	-
	28,160,190	4,718,000	2,364,045	30,514,145	2,628,000
Other Non-Current Liabilities					
Energy Performance Contract					
Debt Payable	924,844	-	66,639	858,205	89,523
Claims Payable	4,054,000	174,349	927,576	3,300,773	486,923
Compensated Absences	1,139,279	121,056	114,000	1,146,335	115,000
Other Post Employment Benefit Obligations Payable	20,180,000	7,300,000	3,090,000	24,390,000	-
Total Other Non-Current Liabilities	26,298,123	7,595,405	4,198,215	29,695,313	691,446
Total Long-term Liabilities	\$ 54,458,313	\$ 12,313,405	\$ 6,562,260	\$ 60,209,458	\$ 3,319,446

Each governmental fund's liability for claims payable, energy performance contract debt, compensated absences and other post employment benefit obligations are liquidated by the respective fund. The Village's indebtedness for bonds is satisfied by the Debt Service Fund, which is funded by the General, Water and Sewer funds.

**Bonds Payable**

Bonds payable at December 31, 2014 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2014
Refunding Bond	2004	\$ 3,945,000	April, 2016	4.000	\$ 470,000
Public Improvements	2007	5,454,000	November, 2027	3.75-5.000	3,315,000
Refunding Bond	2009	2,485,000	March, 2019	3.00-5.000	1,140,000
Refunding Bond	2009	2,730,000	June, 2021	3.00-5.000	1,495,000
Public Improvements	2010	5,945,000	November, 2030	3.00-4.000	5,045,000
Public Improvements	2011	2,330,000	November, 2031	2.25-3.750	2,005,000
Refunding Bond	2012	5,430,000	October, 2024	3.00-4.000	5,390,000
Public Improvements	2012	3,772,000	November, 2032	2.00-3.000	3,310,000
Public Improvements	2013	3,086,500	November, 2033	3.00-4.000	2,940,000
Public Improvements	2014	4,718,000	November, 2034	2.00-3.250	4,718,000
					<u>\$ 29,828,000</u>

**Village of Ossining, New York**

Notes to Financial Statements (Continued)

December 31, 2014

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

Interest expenditures of \$911,445 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$907,525 was recorded in the government-wide financial statements.

**Energy Performance Contract Payable**

The Village, in 2012, entered into a contractual agreement to install energy saving equipment and/or upgrade existing facilities in order to assist the Village in reducing its ongoing energy costs. The terms of the agreement provide for monthly installments of \$8,046 through 2024. The payments include interest which is based on a variable rate that is re-set every January. Currently, the applicable interest rate is 0.86%. The balance due at December 31, 2014 was \$858,205.

Interest expenditures/expenses of \$5,775 were recorded in the fund financial statements in the following funds and in the government-wide financial statements.

<u>Fund</u>	<u>Amount</u>
General	\$ 1,749
Water	<u>4,026</u>
	<u>\$ 5,775</u>

The annual requirements to amortize all bonded and energy performance contract debt outstanding as of December 31, 2014, including interest payments of \$7,394,038 are as follows:

Year Ending December 31,	Bonds		Energy Performance Contract Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 2,628,000	\$ 943,269	\$ 89,523	\$ 7,028	\$ 2,717,523	\$ 950,297
2016	2,660,000	862,431	90,296	6,255	2,750,296	868,686
2017	2,395,000	777,706	91,076	5,476	2,486,076	783,182
2018	2,325,000	701,781	91,862	4,689	2,416,862	706,470
2019	2,165,000	634,269	92,655	3,896	2,257,655	638,165
2020-2024	9,530,000	2,275,869	402,793	7,550	9,932,793	2,283,419
2025-2029	5,795,000	984,375	-	-	5,795,000	984,375
2030-2034	2,330,000	179,444	-	-	2,330,000	179,444
	<u>\$ 29,828,000</u>	<u>\$ 7,359,144</u>	<u>\$ 858,205</u>	<u>\$ 34,894</u>	<u>\$ 30,686,205</u>	<u>\$ 7,394,038</u>

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

**Claims Payable**

The Internal Service funds reflect workers' compensation and general liability claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended December 31, 2014		Year Ended December 31, 2013	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 3,532,000	\$ 522,000	\$ 2,458,000	\$ 604,000
Provision for Claims and Claims Adjustment Expenses	(115,485)	115,561	1,591,156	(67,815)
Expenses Paid	(830,015)	(97,561)	(517,156)	(14,185)
Balance - End of Year	<u>\$ 2,586,500</u>	<u>\$ 540,000</u>	<u>\$ 3,532,000</u>	<u>\$ 522,000</u>
Current Portion	<u>\$ 258,650</u>	<u>\$ 54,000</u>	<u>\$ 353,000</u>	<u>\$ 52,200</u>

Claims payable also includes a liability of \$174,273 for court ordered tax certiorari refunds which were not due and payable at year end. This amount has been recorded as an expense and liability in the government-wide financial statements.

### **Compensated Absences**

In accordance with existing collective bargaining agreements, certain employees are entitled to accumulate up to 275 days of sick leave. Additionally, after three years of service, unused personal time can be accumulated as sick time, to a maximum of 20 days. Upon retirement or termination, those employees with ten years of service will be compensated for accumulated sick leave. The amount of compensation is at the rate of 25% of the amount accumulated. Vacation time for all employees may be accumulated to a maximum of 10 days. It has been the Village's practice to compensate employees for unused vacation time upon separation of service. The value for compensated absences has been reflected in the government-wide financial statements.

### **Other Post Employment Benefit Obligations Payable**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing health care benefits is shared between the Village and the retired employees. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The cost of other post employment benefit obligations payable is recognized as an expenditure as claims are paid. The Village has recognized revenues and expenditures of \$68,703 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

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

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

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

The Village is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the OPEB plan has been established on a pay-as-you-go basis. The assumed increase in postretirement benefits is 9.5% for the first year, decreases in years two through ten by .5% per year through year ten then continues at 5% thereafter. The amortization basis is the level percentage of payroll method with an open amortization approach with 25 years remaining in the amortization period. The actuarial assumptions included a 4.5% investment rate of return, a 3% inflation rate and a 3% annual payroll growth. The Village currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of January 1, 2014 was as follows:

Active Employees	156
Retired Employees	<u>115</u>
Total	<u><u>271</u></u>

**Village of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2014

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

Amortization Component:	
Actuarial Accrued Liability as of January 1, 2014	\$ 82,250,000
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 82,250,000</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 15,800,000</u>
UAAL as a Percentage of Covered Payroll	<u>521%</u>
Annual Required Contribution	\$ 7,570,000
Interest on Net OPEB Obligation	910,000
Adjustment to Annual Required Contribution	<u>(1,180,000)</u>
Annual OPEB Cost	7,300,000
Contributions Made	<u>(3,090,000)</u>
Increase in Net OPEB Obligation	4,210,000
Net OPEB Obligation - Beginning of year	<u>20,180,000</u>
Net OPEB Obligation - End of year	<u>\$ 24,390,000</u>

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

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 7,300,000	42.33 %	\$ 24,390,000
2013	6,510,000	38.25	20,180,000
2012	6,190,000	29.56	16,160,000

Village of Ossining, New York

Notes to Financial Statements (Continued)

December 31, 2014

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

**I. Revenues and Expenditures**

**Interfund Transfers**

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

Transfers Out	Transfers in					Total
	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ 1,631,785	\$ 127,788	\$ 75,090	\$ 1,834,663
Water Fund	-	-	1,311,651	224,800	-	1,536,451
Debt Service Fund	125,000	75,000	-	-	12,650	212,650
Capital Projects Funds	-	-	38,551	97,005	9,217	144,773
Non-Major Governmental Funds	56,553	-	184,307	291,728	25,000	557,588
	<u>\$ 181,553</u>	<u>\$ 75,000</u>	<u>\$ 3,166,294</u>	<u>\$ 741,321</u>	<u>\$ 121,957</u>	<u>\$ 4,286,125</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures, 2) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and 3) move amounts earmarked in the operating funds to fulfill commitments of the General, Water and Non-Major Governmental Funds.

**J. Net Position**

The components of net position are detailed below:

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

*Restricted for Crime Control* - the component of net position representing the unexpended balance of the forfeiture of seized crime properties. These amounts are to be used pursuant to a New York State directive in the subsequent fiscal year for law enforcement purposes.

*Restricted for Future Capital Projects* - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6c of General Municipal Law.

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

*Restricted for Workers' Compensation Benefits* - the component of net position that has been established to set aside funds to be used for the payment of future benefits in accordance with Section 6j of General Municipal Law.

**Village of Ossining, New York**

Notes to Financial Statements (Continued)

December 31, 2014

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

*Restricted for General Liability Claims* - the component of net position that has been established to set aside funds to be used for the payment of future claims made upon the Village in accordance with Section 6n of General Municipal Law.

*Restricted for Water* - the component of net position that represents funds restricted for water purposes under New York State law or by external parties and/or statutes.

*Restricted for Sewer* - the component of net position that represents funds restricted for sewer purposes under New York State law or by external parties and/or statutes.

*Restricted for Trusts* - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by either external parties and/or statutes.

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

Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2014

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

**K. Fund Balances**

	2014					2013						
	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
<b>Nonspendable</b>												
Prepaid expenditures	\$ 687,777	\$ 120,169	\$ -	\$ -	\$ 33,064	\$ 841,010	\$ 878,944	\$ 122,423	\$ -	\$ -	\$ 27,185	\$ 1,028,552
Inventories	18,136	-	-	-	-	18,136	28,835	-	-	-	-	28,835
<b>Total Nonspendable</b>	<b>705,913</b>	<b>120,169</b>	<b>-</b>	<b>-</b>	<b>33,064</b>	<b>859,146</b>	<b>907,779</b>	<b>122,423</b>	<b>-</b>	<b>-</b>	<b>27,185</b>	<b>1,057,387</b>
<b>Restricted</b>												
Crime control	29,391	-	-	-	-	29,391	29,341	-	-	-	-	29,341
Future capital projects	124,019	215,734	-	-	-	339,753	136,372	215,372	-	-	-	351,744
Capital projects	-	-	-	4,630,914	-	4,630,914	-	-	-	4,957,165	-	4,957,165
Debt service	-	-	545,141	-	-	545,141	-	-	761,102	-	-	761,102
Trusts	-	-	-	-	1,175,162	1,175,162	-	-	-	-	1,701,177	1,701,177
<b>Total Restricted</b>	<b>153,410</b>	<b>215,734</b>	<b>545,141</b>	<b>4,630,914</b>	<b>1,175,162</b>	<b>6,720,361</b>	<b>165,713</b>	<b>215,372</b>	<b>761,102</b>	<b>4,957,165</b>	<b>1,701,177</b>	<b>7,800,529</b>
<b>Committed</b>												
Economic development	8,003	-	-	-	-	8,003	5,470	-	-	-	-	5,470
<b>Assigned</b>												
Purchases on order												
General government support	36,684	237,361	-	-	-	274,045	12,301	99,246	-	-	-	111,547
Public safety	17,775	-	-	-	-	17,775	63,712	-	-	-	-	63,712
Transportation	31,908	-	-	-	-	31,908	22,138	-	-	-	-	22,138
Culture and recreation	3,792	-	-	-	-	3,792	-	-	-	-	-	-
Home and community services	-	43,330	-	-	10,191	53,521	6,614	38,311	-	-	4,121	49,046
	90,159	280,691	-	-	10,191	381,041	104,765	137,557	-	-	4,121	246,443
Subsequent year's expenditures	650,000	500,000	288,144	-	80,000	1,518,144	650,000	-	272,703	-	163,126	1,085,829
Water	-	4,334,013	-	-	-	4,334,013	-	5,335,437	-	-	-	5,335,437
Sewer	-	-	-	-	1,408,366	1,408,366	-	-	-	-	1,356,768	1,356,768
Section 8	-	-	-	-	13,648	13,648	-	-	-	-	152,181	152,181
<b>Total Assigned</b>	<b>740,159</b>	<b>5,114,704</b>	<b>288,144</b>	<b>-</b>	<b>1,512,205</b>	<b>7,655,212</b>	<b>754,765</b>	<b>5,472,994</b>	<b>272,703</b>	<b>-</b>	<b>1,676,196</b>	<b>8,176,658</b>
<b>Unassigned</b>	<b>5,554,192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,554,192</b>	<b>5,005,802</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,005,802</b>
<b>Total Fund Balances</b>	<b>\$ 7,161,677</b>	<b>\$ 5,450,607</b>	<b>\$ 833,285</b>	<b>\$ 4,630,914</b>	<b>\$ 2,720,431</b>	<b>\$ 20,796,914</b>	<b>\$ 6,839,529</b>	<b>\$ 5,810,789</b>	<b>\$ 1,033,805</b>	<b>\$ 4,957,165</b>	<b>\$ 3,404,558</b>	<b>\$ 22,045,846</b>

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

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures represents health insurance, retirement and other costs paid in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Inventories in the General Fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the Village anticipates utilizing them in the normal course of operations.

Restricted for Capital Projects Fund represents amount restricted for capital projects.

Commitments of fund balance represent intended use for a specific purpose. At December 31, 2014, the Village has committed the above amounts for economic development.

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

Subsequent year's expenditures represent that at December 31, 2014, the Village Board has assigned the above amounts to be appropriated from the ensuing year's budget.

Unassigned fund balance in the General Fund represent amounts not classified as nonspendable, restricted, committed or assigned.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

The Village, in common with other municipalities, receives numerous notices of claims for money damages arising from civil rights violations, false arrest, property damage or personal injury. These claims have been forwarded to the Village's administrator of their self-insured risk retention program (see note below detailing risk management policy limitations). The Village's liability would be limited to their self-insured retention levels.

The Village is a defendant in numerous tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year the payments are made.

**B. Risk Management**

The Village's policies for general liability, automobile liability, property and public officials errors and omissions coverage have self-insured retention levels of \$100,000 per occurrence for the 12/31/2013-2014 policy year. Primary insurance coverage is purchased for losses in excess of the retention levels, to a maximum limit of \$900,000. Excess insurance policies have been secured for losses in excess of \$1 million (\$100,000 retention + \$900,000 primary insurance

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

policy) to a maximum of \$10 million per occurrence for all liability losses and \$68,269,558 for property. The Workers' Compensation self-insured retention level is \$150,000 with primary insurance coverage limit of \$350,000. Excess Workers Compensation insurance is purchased for losses in excess of \$500,000 (\$150,000 Retention + \$350,000 Primary Limit). Excess Workers' Compensation is written for Statutory Limits (unlimited in New York), with a \$1 million cap on employer's liability claims. The governmental funds are charged premiums by the respective Internal Service Fund. Claims payable in the Internal Service funds include provisions for claims reported and claims incurred but not reported.

The Village is also self-insured for health benefits. A plan administrator has been retained to review and approve all claims. The Village has specific stop-loss insurance which establishes a maximum exposure limit of \$120,000 for each individual covered in the plan up to a maximum of \$1 million reimbursement to the Village. The Village also has aggregate stop-loss insurance which established a maximum exposure limit of \$6,087,549 for the 2014 plan year.

Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

**C. Other Contingencies**

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

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**Village of Ossining, New York**

Required Supplementary Information - Schedule of Funding Progress  
 Other Post Employment Benefits  
 Last Three Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2012	\$ -	\$ 67,880,000	\$ 67,880,000	- %	\$ 15,440,000	439.64 %
January 1, 2013	-	70,920,000	70,920,000	-	15,670,000	452.58
January 1, 2014	-	82,250,000	82,250,000	-	15,800,000	520.57

Village of Ossining, New York

General Fund  
Comparative Balance Sheet  
December 31,

	2014	2013
<b>ASSETS</b>		
Cash and equivalents	\$ 7,627,023	\$ 7,320,361
Taxes receivable, net of allowance for uncollectible taxes of \$299,893 in 2014 and \$343,015 in 2013	209,509	308,571
Other receivables		
Accounts	222,896	395,393
State and Federal aid	72,258	110,571
Due from other funds	3,968	27,546
Due from other governments	987,346	1,001,816
	<u>1,286,468</u>	<u>1,535,326</u>
Prepaid expenditures	687,777	878,944
Inventories	18,136	28,835
Total Assets	<u>\$ 9,828,913</u>	<u>\$ 10,072,037</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 949,950	\$ 1,324,578
Accrued liabilities	883,267	631,736
Unearned revenues	268,314	290,257
Due to other funds	5,483	456,413
Total Liabilities	<u>2,107,014</u>	<u>2,702,984</u>
Deferred inflows of resources		
Taxes collected in advance	414,530	288,751
Deferred tax revenues	145,692	240,773
Total Deferred Inflows of Resources	<u>560,222</u>	<u>529,524</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,667,236</u>	<u>3,232,508</u>
Fund balance		
Nonspendable	705,913	907,779
Restricted	153,410	165,713
Committed	8,003	5,470
Assigned	740,159	754,765
Unassigned	5,554,192	5,005,802
Total Fund Balance	<u>7,161,677</u>	<u>6,839,529</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 9,828,913</u>	<u>\$ 10,072,037</u>

Village of Ossining, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 20,780,424	\$ 20,780,424	\$ 20,953,050	\$ 172,626
Other tax items	184,840	184,840	187,837	2,997
Non-property taxes	4,175,000	4,370,830	4,415,982	45,152
Departmental income	1,636,350	1,689,943	1,670,303	(19,640)
Intergovernmental charges	1,387,051	1,426,874	1,416,598	(10,276)
Use of money and property	282,793	282,793	278,975	(3,818)
Licenses and permits	247,000	424,720	505,001	80,281
Fines and forfeitures	421,000	421,000	446,576	25,576
Sale of property and compensation for loss	10,000	28,540	27,851	(689)
Interfund revenues	797,935	797,935	797,935	-
State aid	422,608	426,458	446,443	19,985
Federal aid	-	-	7,544	7,544
Miscellaneous	92,256	92,256	94,897	2,641
<b>Total Revenues</b>	<b>30,437,257</b>	<b>30,926,613</b>	<b>31,248,992</b>	<b>322,379</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government support	3,866,129	3,580,426	3,396,757	183,669
Public safety	9,071,889	9,537,622	9,495,319	42,303
Health	3,125	1,630	1,630	-
Transportation	2,184,765	2,459,128	2,422,335	36,793
Economic opportunity and development	125,303	124,648	119,104	5,544
Culture and recreation	2,420,571	2,524,295	2,515,664	8,631
Home and community services	1,798,892	1,865,804	1,834,539	31,265
Employee benefits	10,288,612	11,028,612	10,768,279	260,333
<b>Debt service</b>				
Principal	24,721	24,721	20,179	4,542
Interest	12,400	12,400	2,686	9,714
<b>Total Expenditures</b>	<b>29,796,407</b>	<b>31,159,286</b>	<b>30,576,492</b>	<b>582,794</b>
Excess (Deficiency) of Revenues Over Expenditures	640,850	(232,673)	672,500	905,173
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	250,000	340,000	340,000	-
Insurance recoveries	10,000	785,000	962,758	177,758
Transfers in	182,925	182,925	181,553	(1,372)
Transfers out	(1,838,540)	(1,843,622)	(1,834,663)	8,959
<b>Total Other Financing Uses</b>	<b>(1,395,615)</b>	<b>(535,697)</b>	<b>(350,352)</b>	<b>185,345</b>
<b>Net Change in Fund Balance</b>	<b>(754,765)</b>	<b>(768,370)</b>	<b>322,148</b>	<b>1,090,518</b>
<b>FUND BALANCE</b>				
Beginning of Year	754,765	768,370	6,839,529	6,071,159
End of Year	\$ -	\$ -	\$ 7,161,677	\$ 7,161,677

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 20,103,703	\$ 20,153,703	\$ 20,007,882	\$ (145,821)
184,109	184,109	163,358	(20,751)
3,925,000	4,125,503	4,254,232	128,729
1,566,400	1,664,657	1,648,281	(16,376)
1,379,608	1,379,608	1,341,846	(37,762)
279,776	279,776	281,981	2,205
190,000	190,000	354,025	164,025
566,000	566,000	433,690	(132,310)
10,000	10,000	11,468	1,468
782,278	782,278	792,179	9,901
372,608	417,608	540,403	122,795
-	110,376	285,637	175,261
92,256	92,256	98,379	6,123
<u>29,451,738</u>	<u>29,955,874</u>	<u>30,213,361</u>	<u>257,487</u>
3,873,218	3,296,962	3,082,729	214,233
8,998,976	9,024,318	8,926,298	98,020
3,000	2,479	1,880	599
2,321,300	2,289,596	2,190,034	99,562
87,803	120,990	107,247	13,743
2,384,501	2,559,063	2,550,465	8,598
1,751,438	1,850,398	1,836,378	14,020
9,656,712	10,431,249	10,361,154	70,095
36,184	-	-	-
1,543	1,543	1,542	1
<u>29,114,675</u>	<u>29,576,598</u>	<u>29,057,727</u>	<u>518,871</u>
<u>337,063</u>	<u>379,276</u>	<u>1,155,634</u>	<u>776,358</u>
500,000	-	-	-
10,000	297,868	349,537	51,669
132,925	132,925	173,891	40,966
(1,811,282)	(2,074,282)	(2,073,887)	395
<u>(1,168,357)</u>	<u>(1,643,489)</u>	<u>(1,550,459)</u>	<u>93,030</u>
(831,294)	(1,264,213)	(394,825)	869,388
<u>831,294</u>	<u>1,264,213</u>	<u>7,234,354</u>	<u>5,970,141</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,839,529</u>	<u>\$ 6,839,529</u>

Village of Ossining, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>REAL PROPERTY TAXES</b>	\$ 20,780,424	\$ 20,780,424	\$ 20,953,050	\$ 172,626	\$ 20,007,882
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	34,840	34,840	35,609	769	34,960
Interest and penalties on real property taxes	150,000	150,000	152,228	2,228	128,398
	<u>184,840</u>	<u>184,840</u>	<u>187,837</u>	<u>2,997</u>	<u>163,358</u>
<b>NON-PROPERTY TAXES</b>					
Utilities gross receipts taxes	275,000	295,000	299,967	4,967	294,176
Franchise fees	400,000	464,830	467,051	2,221	434,918
Non-property tax distribution from County	3,500,000	3,611,000	3,648,964	37,964	3,525,138
	<u>4,175,000</u>	<u>4,370,830</u>	<u>4,415,982</u>	<u>45,152</u>	<u>4,254,232</u>
<b>DEPARTMENTAL INCOME</b>					
Tax advertising	2,000	2,000	790	(1,210)	2,400
Clerk fees	1,100	1,100	789	(311)	735
Transportation of prisoners	30,000	34,000	34,006	6	33,043
Police fees	850	1,820	1,821	1	1,969
Safety inspection fees	34,000	39,623	46,763	7,140	39,958
False alarm fees	2,000	2,000	850	(1,150)	1,900
Health fees	-	-	712	712	860
Public service	10,000	10,000	10,996	996	12,115
Station tags and off-street parking	461,600	475,600	477,994	2,394	447,714
Non-criminal finger printing	3,000	3,000	1,470	(1,530)	1,961
Day camp fees	235,000	235,000	209,596	(25,404)	227,254
Parks and recreation fees	465,000	494,000	519,655	25,655	491,391
Zoning fees	5,000	5,000	5,265	265	6,795
Planning Board fees	8,300	8,300	9,400	1,100	9,125
Refuse and garbage charges	378,500	378,500	350,196	(28,304)	371,061
	<u>1,636,350</u>	<u>1,689,943</u>	<u>1,670,303</u>	<u>(19,640)</u>	<u>1,648,281</u>

**INTERGOVERNMENTAL CHARGES**

Finance and data processing services - Town	379,926	379,926	366,441	(13,485)	341,757
Engineering services - Town	70,000	70,000	70,000	-	70,000
Corporation counsel - Town	11,000	11,000	11,000	-	23,782
Street lighting - Town	5,000	5,000	3,360	(1,640)	4,811
Police services	-	39,823	39,823	-	-
Fire protection services - Town	461,033	461,033	461,033	-	455,601
Veteran's Park lighting - Town	22,000	22,000	21,898	(102)	24,607
Snow removal services	34,000	34,000	38,950	4,950	23,950
Recreation services - Town	404,092	404,092	404,093	1	397,338

	<u>1,387,051</u>	<u>1,426,874</u>	<u>1,416,598</u>	<u>(10,276)</u>	<u>1,341,846</u>
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**USE OF MONEY AND PROPERTY**

Earnings on investments	30,000	30,000	19,034	(10,966)	23,802
Rental of real property - Individuals	77,044	77,044	84,189	7,145	85,445
Rental of real property - Other governments	175,749	175,749	175,752	3	172,734

	<u>282,793</u>	<u>282,793</u>	<u>278,975</u>	<u>(3,818)</u>	<u>281,981</u>
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**LICENSES AND PERMITS**

Business and occupational licenses	30,000	30,000	51,565	21,565	36,845
Building permits	150,000	327,720	371,881	44,161	234,131
Other permits	67,000	67,000	81,555	14,555	83,049

	<u>247,000</u>	<u>424,720</u>	<u>505,001</u>	<u>80,281</u>	<u>354,025</u>
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**FINES AND FORFEITURES**

Fines and forfeited bail	420,000	420,000	442,751	22,751	406,290
Forfeiture of deposits	1,000	1,000	3,825	2,825	27,400

	<u>421,000</u>	<u>421,000</u>	<u>446,576</u>	<u>25,576</u>	<u>433,690</u>
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**SALE OF PROPERTY AND COMPENSATION FOR LOSS**

Sale of equipment	-	18,540	18,540	-	-
Minor sales	10,000	10,000	9,311	(689)	11,468

	<u>10,000</u>	<u>28,540</u>	<u>27,851</u>	<u>(689)</u>	<u>11,468</u>
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(Continued)

Village of Ossining, New York

General Fund

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

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>INTERFUND REVENUES</b>	\$ 797,935	\$ 797,935	\$ 797,935	\$ -	\$ 792,179
<b>STATE AID</b>					
Per capita	202,408	202,408	202,408	-	202,408
Mortgage tax	200,000	200,000	192,499	(7,501)	225,996
Youth programs	5,200	5,200	5,851	651	9,511
Emergency management assistance	-	-	194	194	19,130
Municipal Waste Reduction and Recycling	-	-	-	-	63,398
Other	15,000	18,850	45,491	26,641	19,960
	<u>422,608</u>	<u>426,458</u>	<u>446,443</u>	<u>19,985</u>	<u>540,403</u>
<b>FEDERAL AID</b>					
Bullet proof vest program	-	-	2,658	2,658	-
Emergency management assistance	-	-	4,886	4,886	285,637
	<u>-</u>	<u>-</u>	<u>7,544</u>	<u>7,544</u>	<u>285,637</u>
<b>MISCELLANEOUS</b>					
Refunds of prior year's expenditures	2,000	2,000	2,514	514	1,215
Gifts and donations	-	-	10	10	110
Section 8 Housing Fund reimbursement	22,256	22,256	22,256	-	22,256
Medicare part D	65,000	65,000	68,703	3,703	67,699
Other	3,000	3,000	1,414	(1,586)	7,099
	<u>92,256</u>	<u>92,256</u>	<u>94,897</u>	<u>2,641</u>	<u>98,379</u>
<b>TOTAL REVENUES</b>	<u>30,437,257</u>	<u>30,926,613</u>	<u>31,248,992</u>	<u>322,379</u>	<u>30,213,361</u>

**OTHER FINANCING SOURCES**

Bonds issued	250,000	340,000	340,000	-	-
Insurance recoveries	10,000	785,000	962,758	177,758	349,537
Transfers in					
Debt Service Fund	125,000	125,000	125,000	-	75,000
Non-major Fund - Special Purpose Fund	57,925	57,925	56,553	(1,372)	98,891
	<u>442,925</u>	<u>1,307,925</u>	<u>1,484,311</u>	<u>176,386</u>	<u>523,428</u>
<b>TOTAL OTHER FINANCING SOURCES</b>					
	<u>442,925</u>	<u>1,307,925</u>	<u>1,484,311</u>	<u>176,386</u>	<u>523,428</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>					
	<u>\$ 30,880,182</u>	<u>\$ 32,234,538</u>	<u>\$ 32,733,303</u>	<u>\$ 498,765</u>	<u>\$ 30,736,789</u>

Village of Ossining, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 26,550	\$ 71,550	\$ 53,372	\$ 18,178	\$ 45,924
Village Justice	5,000	196	-	196	1,180
Traffic violations bureau	136,376	141,180	141,179	1	227,904
Mayor	9,750	9,750	8,674	1,076	9,094
Manager	335,685	341,937	335,954	5,983	348,366
Auditor	43,000	43,000	42,100	900	41,500
Treasurer	164,179	166,827	162,580	4,247	161,652
Budget	1,200	1,200	892	308	925
Clerk	210,180	225,854	216,466	9,388	193,444
Law	241,015	198,655	183,839	14,816	159,328
Personnel	161,327	164,418	162,451	1,967	160,602
Safety director	32,431	32,682	26,051	6,631	26,406
Engineer	47,347	42,470	39,398	3,072	41,895
Municipal building	147,948	165,624	162,007	3,617	202,726
Operations center	153,746	223,580	220,810	2,770	210,186
Central garage	328,560	305,384	303,603	1,781	299,975
Communications system	114,350	138,785	116,506	22,279	103,866
Data processing	273,854	278,151	261,801	16,350	247,221
Unallocated insurance	504,003	549,003	534,971	14,032	471,380
Municipal association dues	15,250	15,250	11,586	3,664	15,201
Judgments and claims	100,000	100,000	76,625	23,375	8,523
Town taxes and assessments	70	70	50	20	49
Property tax refunds	200,000	290,000	290,000	-	60,750
Metropolitan commuter transportation mobility tax	47,143	47,143	45,842	1,301	44,632
Contingency	567,165	27,717	-	27,717	-
	<u>3,866,129</u>	<u>3,580,426</u>	<u>3,396,757</u>	<u>183,669</u>	<u>3,082,729</u>

**PUBLIC SAFETY**

Police department	7,005,621	7,441,937	7,429,010	12,927	6,955,679
Jail	2,000	2,247	2,247	-	1,960
Traffic control	51,799	64,933	64,933	-	70,178
Public safety boat	21,186	9,438	8,952	486	22,542
Fire department	774,368	797,011	791,440	5,571	738,443
Demolition of unsafe buildings	500	4,635	4,635	-	-
Control of animals	111,546	113,729	113,570	159	113,409
Civilian police	542,681	533,135	533,133	2	500,986
Safety inspection	562,188	570,557	547,399	23,158	523,101

	<u>9,071,889</u>	<u>9,537,622</u>	<u>9,495,319</u>	<u>42,303</u>	<u>8,926,298</u>
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**HEALTH**

Weed and grass control	3,125	1,630	1,630	-	1,880
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**TRANSPORTATION**

Street administration	298,961	281,310	279,382	1,928	332,028
Street maintenance	1,340,506	1,480,650	1,446,166	34,484	1,319,297
Snow removal	319,899	377,044	377,044	-	298,696
Street lighting	183,540	230,251	230,250	1	209,381
Sidewalks	10,000	57,388	57,388	-	-
Off-street parking	31,859	32,485	32,105	380	30,632

	<u>2,184,765</u>	<u>2,459,128</u>	<u>2,422,335</u>	<u>36,793</u>	<u>2,190,034</u>
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**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Publicity	37,800	37,800	37,800	-	32,950
Community development	29,878	28,195	24,752	3,443	25,405
Downtown development	57,625	58,653	56,552	2,101	48,892

	<u>125,303</u>	<u>124,648</u>	<u>119,104</u>	<u>5,544</u>	<u>107,247</u>
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**CULTURE AND RECREATION**

Parks	701,506	725,927	723,317	2,610	725,535
Recreation	1,586,260	1,666,107	1,662,620	3,487	1,649,846
Youth agencies	74,361	74,568	74,557	11	73,101
Urban cultural park	15,544	15,855	14,696	1,159	14,501
Celebrations	36,900	35,919	35,008	911	82,357
Adult recreation	6,000	5,919	5,466	453	5,125

	<u>2,420,571</u>	<u>2,524,295</u>	<u>2,515,664</u>	<u>8,631</u>	<u>2,550,465</u>
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(Continued)

Village of Ossining, New York

General Fund

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

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Zoning	\$ 71,797	\$ 75,089	\$ 69,509	\$ 5,580	\$ 70,348
Planning	90,771	93,090	81,620	11,470	82,501
Storm sewers	103,157	107,591	104,832	2,759	180,834
Refuse and garbage	1,318,297	1,362,584	1,359,244	3,340	1,320,738
Street cleaning	92,736	90,217	89,684	533	75,154
Shade trees	114,864	130,762	125,019	5,743	104,463
Historic Review Commission	7,270	6,471	4,631	1,840	2,340
	<u>1,798,892</u>	<u>1,865,804</u>	<u>1,834,539</u>	<u>31,265</u>	<u>1,836,378</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	1,359,558	1,354,558	1,204,204	150,354	1,232,934
Police and fire retirement	1,791,443	1,796,443	1,795,744	699	1,775,181
Social security	1,050,427	1,015,427	1,001,448	13,979	962,359
Workers' compensation benefits	1,069,302	1,069,302	1,037,148	32,154	1,208,627
Unemployment benefits	20,000	20,000	18,861	1,139	16,249
Hospital, medical and dental benefits	4,997,882	5,772,882	5,710,874	62,008	5,165,804
	<u>10,288,612</u>	<u>11,028,612</u>	<u>10,768,279</u>	<u>260,333</u>	<u>10,361,154</u>
<b>DEBT SERVICE</b>					
Principal					
Installment purchase debt	<u>24,721</u>	<u>24,721</u>	<u>20,179</u>	<u>4,542</u>	<u>-</u>
Interest					
Bond anticipation notes	937	937	937	-	1,542
Installment purchase debt	<u>11,463</u>	<u>11,463</u>	<u>1,749</u>	<u>9,714</u>	<u>-</u>
	<u>12,400</u>	<u>12,400</u>	<u>2,686</u>	<u>9,714</u>	<u>1,542</u>
	<u>37,121</u>	<u>37,121</u>	<u>22,865</u>	<u>14,256</u>	<u>1,542</u>
<b>TOTAL EXPENDITURES</b>	<u>29,796,407</u>	<u>31,159,286</u>	<u>30,576,492</u>	<u>582,794</u>	<u>29,057,727</u>

**OTHER FINANCING USES**

Transfers out

Debt Service Fund	1,631,795	1,631,795	1,631,785	10	1,573,690
Capital Projects Fund	122,706	127,788	127,788	-	416,540
Section 8 Housing Fund	84,039	84,039	75,090	8,949	83,657

**TOTAL OTHER FINANCING USES**

	<u>1,838,540</u>	<u>1,843,622</u>	<u>1,834,663</u>	<u>8,959</u>	<u>2,073,887</u>
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**TOTAL EXPENDITURES AND OTHER FINANCING USES**

	<u>\$ 31,634,947</u>	<u>\$ 33,002,908</u>	<u>\$ 32,411,155</u>	<u>\$ 591,753</u>	<u>\$ 31,131,614</u>
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Village of Ossining, New York

Water Fund  
 Comparative Balance Sheet  
 December 31,

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 3,175,311	\$ 3,598,911
Receivables		
Accounts	2,799,855	2,800,813
State and Federal aid	1,264	49,762
Due from other funds	-	3,937
Due from other governments	6,580	7,592
	<u>2,807,699</u>	<u>2,862,104</u>
Prepaid expenditures	<u>120,169</u>	<u>122,423</u>
Total Assets	<u>\$ 6,103,179</u>	<u>\$ 6,583,438</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 463,197	\$ 556,736
Accrued liabilities	103,678	98,039
Unearned revenues	13,202	19,799
Due to other funds	72,495	98,075
Total Liabilities	<u>652,572</u>	<u>772,649</u>
Fund balance		
Nonspendable	120,169	122,423
Restricted	215,734	215,372
Assigned	5,114,704	5,472,994
Total Fund Balance	<u>5,450,607</u>	<u>5,810,789</u>
Total Liabilities and Fund Balance	<u>\$ 6,103,179</u>	<u>\$ 6,583,438</u>

Village of Ossining, New York

Water Fund

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 9,184,814	\$ 9,184,814	\$ 9,285,432	\$ 100,618
Use of money and property	3,000	3,000	5,558	2,558
Sale of property and compensation for loss	-	70,000	74,299	4,299
State aid	-	-	58	58
Federal aid	-	-	479	479
Miscellaneous	10,000	10,000	21,495	11,495
<b>Total Revenues</b>	<b>9,197,814</b>	<b>9,267,814</b>	<b>9,387,321</b>	<b>119,507</b>
<b>EXPENDITURES</b>				
Current				
General government support	564,493	685,915	426,965	258,950
Home and community services	6,163,200	6,647,778	6,592,868	54,910
Employee benefits	1,204,573	1,251,573	1,210,489	41,084
Debt service				
Principal	58,894	48,894	46,460	2,434
Interest	32,553	12,553	9,270	3,283
<b>Total Expenditures</b>	<b>8,023,713</b>	<b>8,646,713</b>	<b>8,286,052</b>	<b>360,661</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,174,101</b>	<b>621,101</b>	<b>1,101,269</b>	<b>480,168</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	75,000	75,000	75,000	-
Transfers out	(1,386,658)	(1,536,458)	(1,536,451)	7
<b>Total Other Financing Uses</b>	<b>(1,311,658)</b>	<b>(1,461,458)</b>	<b>(1,461,451)</b>	<b>7</b>
<b>Net Change in Fund Balance</b>	<b>(137,557)</b>	<b>(840,357)</b>	<b>(360,182)</b>	<b>480,175</b>
<b>FUND BALANCE</b>				
Beginning of Year	137,557	840,357	5,810,789	4,970,432
End of Year	\$ -	\$ -	\$ 5,450,607	\$ 5,450,607

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,932,917	\$ 8,932,917	\$ 8,987,442	\$ 54,525
3,000	3,000	6,427	3,427
-	23,039	26,794	3,755
-	-	845	845
-	-	61,335	61,335
10,000	10,000	21,947	11,947
<u>8,945,917</u>	<u>8,968,956</u>	<u>9,104,790</u>	<u>135,834</u>
498,141	633,284	496,167	137,117
6,291,754	6,275,313	5,546,446	728,867
1,129,618	1,188,281	1,173,758	14,523
-	-	-	-
57,503	60,095	9,809	50,286
<u>7,977,016</u>	<u>8,156,973</u>	<u>7,226,180</u>	<u>930,793</u>
<u>968,901</u>	<u>811,983</u>	<u>1,878,610</u>	<u>1,066,627</u>
75,000	75,000	75,000	-
(1,590,451)	(1,617,157)	(1,597,242)	19,915
<u>(1,515,451)</u>	<u>(1,542,157)</u>	<u>(1,522,242)</u>	<u>19,915</u>
(546,550)	(730,174)	356,368	1,086,542
<u>546,550</u>	<u>730,174</u>	<u>5,454,421</u>	<u>4,724,247</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,810,789</u>	<u>\$ 5,810,789</u>

Village of Ossining, New York

Water Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Engineer	\$ 103,610	\$ 276,097	\$ 75,744	\$ 200,353	\$ 165,846
Safety director	20,345	20,345	7,876	12,469	14,785
Communications system	20,650	19,289	15,205	4,084	8,644
Data processing	25,971	68,169	31,991	36,178	17,573
Unallocated insurance	80,041	80,041	74,521	5,520	72,243
Taxes and assessments on municipal property	220,000	214,000	213,830	170	209,976
Metropolitan commuter transportation mobility tax	7,961	7,961	7,798	163	7,100
Contingency	85,915	13	-	13	-
	<u>564,493</u>	<u>685,915</u>	<u>426,965</u>	<u>258,950</u>	<u>496,167</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Water administration	1,243,202	1,239,003	1,228,532	10,471	1,145,269
Pumping, supply and power	2,359,179	2,614,309	2,611,304	3,005	2,093,347
Purification	1,321,276	1,362,134	1,352,905	9,229	1,139,527
Transmission and distribution	1,239,543	1,432,332	1,400,127	32,205	1,168,303
	<u>6,163,200</u>	<u>6,647,778</u>	<u>6,592,868</u>	<u>54,910</u>	<u>5,546,446</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	471,937	471,937	447,471	24,466	416,961
Social security	179,137	166,137	164,460	1,677	157,604
Workers' compensation benefits	169,445	169,445	158,633	10,812	199,503
Unemployment insurance	2,000	2,000	-	2,000	-
Hospital, medical and dental benefits	382,054	442,054	439,925	2,129	399,690
	<u>1,204,573</u>	<u>1,251,573</u>	<u>1,210,489</u>	<u>41,084</u>	<u>1,173,758</u>

**DEBT SERVICE**

## Principal

Installment purchase debt

<u>58,894</u>	<u>48,894</u>	<u>46,460</u>	<u>2,434</u>	<u>-</u>
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## Interest

Bond anticipation notes

5,244	5,244	5,244	-	9,809
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Installment purchase debt

<u>27,309</u>	<u>7,309</u>	<u>4,026</u>	<u>3,283</u>	<u>-</u>
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<u>32,553</u>	<u>12,553</u>	<u>9,270</u>	<u>3,283</u>	<u>9,809</u>
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<u>91,447</u>	<u>61,447</u>	<u>55,730</u>	<u>5,717</u>	<u>9,809</u>
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**TOTAL EXPENDITURES**

<u>8,023,713</u>	<u>8,646,713</u>	<u>8,286,052</u>	<u>360,661</u>	<u>7,226,180</u>
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**OTHER FINANCING USES**

## Transfers out

Debt Service Fund

1,311,658	1,311,658	1,311,651	7	1,492,944
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Capital Projects Fund

<u>75,000</u>	<u>224,800</u>	<u>224,800</u>	<u>-</u>	<u>104,298</u>
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**TOTAL OTHER FINANCING USES**

<u>1,386,658</u>	<u>1,536,458</u>	<u>1,536,451</u>	<u>7</u>	<u>1,597,242</u>
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**TOTAL EXPENDITURES AND  
OTHER FINANCING USES**

<u>\$ 9,410,371</u>	<u>\$ 10,183,171</u>	<u>\$ 9,822,503</u>	<u>\$ 360,668</u>	<u>\$ 8,823,422</u>
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Village of Ossining, New York

Debt Service Fund  
Comparative Balance Sheet  
December 31,

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	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 833,285	\$ 992,821
Due from other funds	<u>-</u>	<u>46,570</u>
Total Assets	<u>\$ 833,285</u>	<u>\$ 1,039,391</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	<u>\$ -</u>	<u>\$ 5,586</u>
Fund balance		
Restricted	545,141	761,102
Assigned	<u>288,144</u>	<u>272,703</u>
Total Fund Balance	<u>833,285</u>	<u>1,033,805</u>
Total Liabilities and Fund Balance	<u>\$ 833,285</u>	<u>\$ 1,039,391</u>

Village of Ossining, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ 10,150	\$ 10,150	\$ 68,931	\$ 58,781
<b>EXPENDITURES</b>				
Debt service				
Principal				
Bonds	2,286,507	2,286,507	2,286,500	7
Interest				
Bonds	911,460	911,460	911,445	15
Bond anticipation notes	-	25,150	25,150	-
	911,460	936,610	936,595	15
Total Expenditures	3,197,967	3,223,117	3,223,095	22
Deficiency of Revenues Over Expenditures	(3,187,817)	(3,212,967)	(3,154,164)	58,803
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real property	-	-	-	-
Transfers in	3,127,764	3,127,764	3,166,294	38,530
Transfers out	(212,650)	(212,650)	(212,650)	-
Total Other Financing Sources	2,915,114	2,915,114	2,953,644	38,530
Net Change in Fund Balance	(272,703)	(297,853)	(200,520)	97,333
<b>FUND BALANCE</b>				
Beginning of Year	272,703	297,853	1,033,805	735,952
End of Year	\$ -	\$ -	\$ 833,285	\$ 833,285

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 10,150	\$ 10,150	\$ 84,116	\$ 73,966
2,297,010	2,297,010	2,297,000	10
865,830	865,830	865,816	14
11,215	11,215	11,215	-
877,045	877,045	877,031	14
3,174,055	3,174,055	3,174,031	24
(3,163,905)	(3,163,905)	(3,089,915)	73,990
-	-	200,000	200,000
3,091,726	3,091,726	3,103,632	11,906
(150,000)	(150,000)	(150,000)	-
2,941,726	2,941,726	3,153,632	211,906
(222,179)	(222,179)	63,717	285,896
222,179	222,179	970,088	747,909
\$ -	\$ -	\$ 1,033,805	\$ 1,033,805

Village of Ossining, New York

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 9,311,435	\$ 9,161,789
Receivables		
State and Federal aid	74,018	73,859
Due from other funds	175,739	176,646
Due from other governments	16,025	14,900
	<u>265,782</u>	<u>265,405</u>
Total Assets	<u>\$ 9,577,217</u>	<u>\$ 9,427,194</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 557,579	\$ 376,635
Retained percentages	267,720	58,803
Due to other funds	9,217	55,098
Bond anticipation notes payable	4,111,787	3,979,493
Total Liabilities	4,946,303	4,470,029
Fund balance		
Restricted	<u>4,630,914</u>	<u>4,957,165</u>
Total Liabilities and Fund Balance	<u>\$ 9,577,217</u>	<u>\$ 9,427,194</u>

Village of Ossining, New York

Capital Projects Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

	2014	2013
<b>REVENUES</b>		
State aid	\$ 369,572	\$ 530,397
Federal aid	72,000	-
Miscellaneous	41,455	21,375
	<u>483,027</u>	<u>551,772</u>
Total Revenues	483,027	551,772
<b>EXPENDITURES</b>		
Capital outlay	5,783,826	2,571,357
	<u>(5,300,799)</u>	<u>(2,019,585)</u>
Deficiency of Revenues Over Expenditures	(5,300,799)	(2,019,585)
<b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	4,378,000	3,086,500
Transfers in	741,321	591,504
Transfers out	(144,773)	(84,344)
	<u>4,974,548</u>	<u>3,593,660</u>
Total Other Financing Sources	4,974,548	3,593,660
Net Change in Fund Balance	(326,251)	1,574,075
<b>FUND BALANCE</b>		
Beginning of Year	4,957,165	3,383,090
End of Year	<u>\$ 4,630,914</u>	<u>\$ 4,957,165</u>

Village of Ossining, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through December 31, 2014

PROJECT	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Parking Meters	2057	\$ 225,000	\$ 186,025	\$ 38,975
Security at Water Pump Stations	2070	150,000	142,391	7,609
Indian Brook Valve Replacement	2072	250,000	221,705	28,295
Sing Sing Museum	2085	10,000	500	9,500
Community Center Sun Deck Playground	2105	173,500	122,795	50,705
Main/Secor/Water Street Streetscape	2106	768,661	768,661	-
Indian Brook Water Reservoir and Dam	2122	4,065,845	352,092	3,713,753
Police Vehicles 2012	2123	70,000	70,000	-
Fire Department SCBA Cylinders	2124	35,200	35,200	-
Pleasantville Road Pump Station Generator	2125	450,000	308,426	141,574
Sing Sing Channel Improvements/ Flood Control	2126	150,000	150,000	-
Historic Building Markers	2133	33,112	4,444	28,668
Sing Sing Kill Sewer Improvements	2134	5,008,000	3,849,240	1,158,760
Police Vehicles 2012/2013	2135	120,934	118,963	1,971
Market Square and Parking Lot Improvements	2136	89,082	87,342	1,740
DPW Truck	2137	40,000	40,000	-
Fire Chief's Vehicle	2139	48,000	48,000	-
Street Resurfacing and Sidewalks - 2013	2140	229,625	215,191	14,434
Fire Apparatus	2141	665,000	5,014	659,986
Generator at Operations Center	2142	166,900	132,950	33,950
Generator at Water Treatment Plant	2143	957,900	570,000	387,900
Street Curb Machine	2146	20,000	12,271	7,729
Police Vehicles -2014	2147	185,000	178,706	6,294
Water Mains Relining and Replacement	2149	2,600,000	6,186	2,593,814
Street Resurfacing and Sidewalks - 2014	2150	408,810	337,084	71,726
Playground Improvements	2151	160,000	160,000	-
Nelson Park Tennis Court Electric Upgrades	2152	28,728	28,728	-
Harbor Square Promenade Park	2153	480,000	-	480,000
Totals		<u>\$ 17,589,297</u>	<u>\$ 8,151,914</u>	<u>\$ 9,437,383</u>

Revenues To Date	Fund Balance (Deficit) at December 31, 2014	Bond Anticipation Notes Outstanding at December 31, 2014
\$ 225,000	\$ 38,975	\$ -
150,000	7,609	-
250,000	28,295	-
10,000	9,500	-
173,500	50,705	-
718,661	(50,000)	-
2,715,844	2,363,752	1,350,000
46,667	(23,333)	23,334
14,080	(21,120)	21,120
310,000	1,574	-
150,000	-	-
33,112	28,668	-
5,008,000	1,158,760	-
67,601	(51,362)	53,333
89,082	1,740	-
8,000	(32,000)	32,000
16,000	(32,000)	32,000
215,191	-	-
665,000	659,986	-
166,900	33,950	-
957,900	387,900	-
20,000	7,729	-
185,000	6,294	-
-	(6,186)	2,600,000
398,562	61,478	-
160,000	-	-
28,728	-	-
-	-	-
<u>\$ 12,782,828</u>	<u>\$ 4,630,914</u>	<u>\$ 4,111,787</u>

**Village of Ossining, New York**

Combining Balance Sheet  
 Non-Major Governmental Funds  
 December 31, 2014  
 (With Comparative Totals for 2013)

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund
<b>ASSETS</b>			
Cash and equivalents	\$ 1,124,502	\$ 17,607	\$ 1,273,157
Receivables			
Accounts	413,281	32,035	-
State and Federal aid	451	4,226	-
Due from other funds	-	5,483	9,217
	<u>413,732</u>	<u>41,744</u>	<u>9,217</u>
Prepaid expenditures	<u>25,235</u>	<u>7,829</u>	<u>-</u>
Total Assets	<u>\$ 1,563,469</u>	<u>\$ 67,180</u>	<u>\$ 1,282,374</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 39,677	\$ 7,402	\$ -
Accrued liabilities	-	6,266	-
Due to other governments	-	-	-
Unearned revenues	-	32,035	-
Due to other funds	-	-	107,212
Total Liabilities	<u>39,677</u>	<u>45,703</u>	<u>107,212</u>
Fund balances			
Nonspendable	25,235	7,829	-
Restricted	-	-	1,175,162
Assigned	<u>1,498,557</u>	<u>13,648</u>	<u>-</u>
Total Fund Balances	<u>1,523,792</u>	<u>21,477</u>	<u>1,175,162</u>
Total Liabilities and Fund Balances	<u>\$ 1,563,469</u>	<u>\$ 67,180</u>	<u>\$ 1,282,374</u>

Totals	
2014	2013
\$ 2,415,266	\$ 3,278,424
445,316	355,379
4,677	346
14,700	48,217
464,693	403,942
33,064	27,185
\$ 2,913,023	\$ 3,709,551
\$ 47,079	\$ 69,075
6,266	5,045
-	-
32,035	42,768
107,212	188,105
192,592	304,993
33,064	27,185
1,175,162	1,701,177
1,512,205	1,676,196
2,720,431	3,404,558
\$ 2,913,023	\$ 3,709,551

**Village of Ossining, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2014  
(With Comparative Totals for 2013)

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund
<b>REVENUES</b>			
Departmental income	\$ 1,363,211	\$ -	\$ -
Use of money and property	1,748	-	1,724
Sale of property and compensation for loss	26,542	-	-
Federal aid	-	2,857,167	-
Miscellaneous	1,898	7,792	460,395
<b>Total Revenues</b>	<u>1,393,399</u>	<u>2,864,959</u>	<u>462,119</u>
<b>EXPENDITURES</b>			
Current			
General government support	117,649	-	-
Economic opportunity and development	-	-	744,461
Culture and recreation	-	-	19,609
Home and community services	632,055	3,134,833	-
Employee benefits	311,902	-	-
Debt service - Interest	8,464	-	-
<b>Total Expenditures</b>	<u>1,070,070</u>	<u>3,134,833</u>	<u>764,070</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>323,329</u>	<u>(269,874)</u>	<u>(301,951)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	12,650	75,090	34,217
Transfers out	(299,307)	-	(258,281)
<b>Total Other Financing Sources (Uses)</b>	<u>(286,657)</u>	<u>75,090</u>	<u>(224,064)</u>
<b>Net Change in Fund Balances</b>	36,672	(194,784)	(526,015)
<b>FUND BALANCES</b>			
Beginning of Year	<u>1,487,120</u>	<u>216,261</u>	<u>1,701,177</u>
End of Year	<u>\$ 1,523,792</u>	<u>\$ 21,477</u>	<u>\$ 1,175,162</u>

Totals	
2014	2013
\$ 1,363,211	\$ 1,188,359
3,472	4,708
26,542	9,148
2,857,167	2,927,268
470,085	766,295
<u>4,720,477</u>	<u>4,895,778</u>
117,649	99,004
744,461	131,298
19,609	-
3,766,888	3,694,783
311,902	280,357
8,464	-
<u>4,968,973</u>	<u>4,205,442</u>
<u>(248,496)</u>	<u>690,336</u>
121,957	85,404
<u>(557,588)</u>	<u>(123,958)</u>
<u>(435,631)</u>	<u>(38,554)</u>
(684,127)	651,782
<u>3,404,558</u>	<u>2,752,776</u>
<u>\$ 2,720,431</u>	<u>\$ 3,404,558</u>

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Village of Ossining, New York

Sewer Fund  
 Comparative Balance Sheet  
 December 31,

	2014	2013
<b>ASSETS</b>		
Cash and equivalents	\$ 1,124,502	\$ 1,242,831
Receivables		
Accounts	413,281	302,544
State and Federal aid	451	346
	<u>413,732</u>	<u>302,890</u>
Prepaid expenditures	<u>25,235</u>	<u>19,551</u>
Total Assets	<u>\$ 1,563,469</u>	<u>\$ 1,565,272</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 39,677	\$ 60,633
Due to other funds	-	17,519
Total Liabilities	<u>39,677</u>	<u>78,152</u>
Fund balance		
Nonspendable	25,235	19,551
Assigned	<u>1,498,557</u>	<u>1,467,569</u>
Total Fund Balance	<u>1,523,792</u>	<u>1,487,120</u>
Total Liabilities and Fund Balance	<u>\$ 1,563,469</u>	<u>\$ 1,565,272</u>

Village of Ossining, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 1,301,890	\$ 1,301,890	\$ 1,363,211	\$ 61,321
Use of money and property	2,000	2,000	1,748	(252)
Sale of property and compensation for loss	-	25,000	26,542	1,542
Miscellaneous	1,500	1,500	1,898	398
<b>Total Revenues</b>	<u>1,305,390</u>	<u>1,330,390</u>	<u>1,393,399</u>	<u>63,009</u>
<b>EXPENDITURES</b>				
Current				
General government support	155,995	156,404	117,649	38,755
Home and community services	668,507	668,098	632,055	36,043
Employee benefits	296,565	321,565	311,902	9,663
Debt service - Interest	8,464	8,464	8,464	-
<b>Total Expenditures</b>	<u>1,129,531</u>	<u>1,154,531</u>	<u>1,070,070</u>	<u>84,461</u>
<b>Excess of Revenues Over Expenditures</b>	<u>175,859</u>	<u>175,859</u>	<u>323,329</u>	<u>147,470</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	12,650	12,650	12,650	-
Transfers out	(299,311)	(299,311)	(299,307)	4
<b>Total Other Financing Uses</b>	<u>(286,661)</u>	<u>(286,661)</u>	<u>(286,657)</u>	<u>4</u>
<b>Net Change in Fund Balance</b>	<u>(110,802)</u>	<u>(110,802)</u>	<u>36,672</u>	<u>147,474</u>
<b>FUND BALANCE</b>				
Beginning of Year	<u>110,802</u>	<u>110,802</u>	<u>1,487,120</u>	<u>1,376,318</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,523,792</u>	<u>\$ 1,523,792</u>

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,146,236	\$ 1,146,236	\$ 1,188,359	\$ 42,123
3,000	3,000	2,185	(815)
-	8,228	9,148	920
1,500	1,500	1,870	370
<u>1,150,736</u>	<u>1,158,964</u>	<u>1,201,562</u>	<u>42,598</u>
218,885	194,745	99,004	95,741
618,398	642,538	576,556	65,982
271,380	288,265	280,357	7,908
-	-	-	-
<u>1,108,663</u>	<u>1,125,548</u>	<u>955,917</u>	<u>169,631</u>
<u>42,073</u>	<u>33,416</u>	<u>245,645</u>	<u>212,229</u>
-	-	-	-
<u>(50,073)</u>	<u>(50,073)</u>	<u>(25,067)</u>	<u>25,006</u>
<u>(50,073)</u>	<u>(50,073)</u>	<u>(25,067)</u>	<u>25,006</u>
(8,000)	(16,657)	220,578	237,235
<u>8,000</u>	<u>16,657</u>	<u>1,266,542</u>	<u>1,249,885</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,487,120</u>	<u>\$ 1,487,120</u>

Village of Ossining, New York

Sewer Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Auditor	\$ 8,400	\$ 8,400	\$ 8,400	\$ -	\$ 8,320
Engineer	10,000	10,000	-	10,000	-
Safety director	14,425	14,425	4,951	9,474	7,501
Communication systems	2,550	2,800	2,194	606	118
Data processing	10,114	18,259	7,447	10,812	4,924
Unallocated insurance	31,015	49,667	48,215	1,452	39,170
Judgments and claims	-	3,489	3,488	1	-
Town taxes and assessments	45,000	45,000	41,651	3,349	37,931
Metropolitan commuter transportation mobility tax	1,402	1,402	1,303	99	1,040
Contingency	33,089	2,962	-	2,962	-
	<u>155,995</u>	<u>156,404</u>	<u>117,649</u>	<u>38,755</u>	<u>99,004</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Sewer administration	278,513	302,564	294,357	8,207	333,419
Sewer system	287,038	275,919	266,904	9,015	148,114
Sewage pumping	102,956	89,615	70,794	18,821	95,023
	<u>668,507</u>	<u>668,098</u>	<u>632,055</u>	<u>36,043</u>	<u>576,556</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	83,630	83,630	76,846	6,784	61,067
Social security	31,560	28,560	28,046	514	22,058
Workers' compensation benefits	44,928	50,213	50,213	-	56,188
Hospital, medical and dental benefits	136,447	159,162	156,797	2,365	141,044
	<u>296,565</u>	<u>321,565</u>	<u>311,902</u>	<u>9,663</u>	<u>280,357</u>
<b>DEBT SERVICE</b>					
Interest - bond anticipation notes	8,464	8,464	8,464	-	-
	<u>1,129,531</u>	<u>1,154,531</u>	<u>1,070,070</u>	<u>84,461</u>	<u>955,917</u>

**OTHER FINANCING USES**

Transfers out

Debt Service Fund

184,311

184,311

184,307

4

25,067

Capital Projects Fund

115,000

115,000

115,000

-

-

**TOTAL OTHER FINANCING USES**

299,311

299,311

299,307

4

25,067

**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

\$ 1,428,842

\$ 1,453,842

\$ 1,369,377

\$ 84,465

\$ 980,984

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Village of Ossining, New York

Section 8 Housing Fund  
 Comparative Balance Sheet  
 December 31,

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 17,607	\$ 223,533
Receivables		
Accounts	32,035	41,625
State and Federal aid	4,226	-
Due from other funds	5,483	-
	<u>41,744</u>	<u>41,625</u>
Prepaid expenditures	<u>7,829</u>	<u>7,634</u>
Total Assets	<u>\$ 67,180</u>	<u>\$ 272,792</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 7,402	\$ 8,357
Accrued liabilities	6,266	5,045
Due to other governments	-	361
Unearned revenues	32,035	42,768
Total Liabilities	<u>45,703</u>	<u>56,531</u>
Fund balance		
Nonspendable	7,829	7,634
Assigned	13,648	208,627
Total Fund Balance	<u>21,477</u>	<u>216,261</u>
Total Liabilities and Fund Balance	<u>\$ 67,180</u>	<u>\$ 272,792</u>

**Village of Ossining, New York**

Section 8 Housing Fund  
 Comparative Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 Years Ended December 31,

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ 150	\$ 150	\$ -	\$ (150)
Federal aid	2,805,432	2,846,335	2,857,167	10,832
Miscellaneous	14,000	14,000	7,792	(6,208)
<b>Total Revenues</b>	<b>2,819,582</b>	<b>2,860,485</b>	<b>2,864,959</b>	<b>4,474</b>
<b>EXPENDITURES</b>				
Current				
Home and community services	2,960,067	3,153,151	3,134,833	18,318
Deficiency of Revenues Over Expenditures	(140,485)	(292,666)	(269,874)	22,792
<b>OTHER FINANCING SOURCES</b>				
Transfers in	84,039	84,039	75,090	(8,949)
<b>Net Change in Fund Balance</b>	<b>(56,446)</b>	<b>(208,627)</b>	<b>(194,784)</b>	<b>13,843</b>
<b>FUND BALANCE</b>				
Beginning of Year	56,446	208,627	216,261	7,634
End of Year	\$ -	\$ -	\$ 21,477	\$ 21,477

2013

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 190	\$ 190	\$ -	\$ (190)
3,146,984	3,046,984	2,927,268	(119,716)
18,184	18,184	13,656	(4,528)
3,165,358	3,065,358	2,940,924	(124,434)
3,268,719	3,168,719	3,118,227	50,492
(103,361)	(103,361)	(177,303)	(73,942)
84,039	84,039	83,657	(382)
(19,322)	(19,322)	(93,646)	(74,324)
19,322	19,322	309,907	290,585
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,261</u>	<u>\$ 216,261</u>

Village of Ossining, New York

Special Purpose Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,273,157	\$ 1,812,060
Receivables		
Accounts	-	11,210
Due from other funds	9,217	48,217
	<u>9,217</u>	<u>59,427</u>
Total Assets	<u>\$ 1,282,374</u>	<u>\$ 1,871,487</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ -	\$ 85
Due to other funds	107,212	170,225
Total Liabilities	107,212	170,310
Fund balance		
Restricted	<u>1,175,162</u>	<u>1,701,177</u>
Total Liabilities and Fund Balance	<u>\$ 1,282,374</u>	<u>\$ 1,871,487</u>

Village of Ossining, New York

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

	<u>2014</u>	<u>2013</u>
<b>REVENUES</b>		
Use of money and property	\$ 1,724	\$ 2,523
Miscellaneous	<u>460,395</u>	<u>750,769</u>
Total Revenues	<u>462,119</u>	<u>753,292</u>
<b>EXPENDITURES</b>		
Current		
Economic opportunity and development	744,461	131,298
Culture and recreation	<u>19,609</u>	<u>-</u>
Total Expenditures	<u>764,070</u>	<u>131,298</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(301,951)</u>	<u>621,994</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	34,217	1,747
Transfers out	<u>(258,281)</u>	<u>(98,891)</u>
Total Other Financing Uses	<u>(224,064)</u>	<u>(97,144)</u>
Net Change in Fund Balance	(526,015)	524,850
<b>FUND BALANCE</b>		
Beginning of Year	<u>1,701,177</u>	<u>1,176,327</u>
End of Year	<u>\$ 1,175,162</u>	<u>\$ 1,701,177</u>

Village of Ossining, New York

Internal Service Funds  
 Combining Statement of Net Position  
 December 31, 2014  
 (With Comparative Actuals for 2013)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2014	2013
<b>ASSETS</b>				
Cash and equivalents	\$ 3,314,254	\$ 716,740	\$ 4,030,994	\$ 3,322,795
Accounts receivable	172,431	-	172,431	47,194
Due from other funds	-	-	-	500,000
<b>Total Assets</b>	<b>3,486,685</b>	<b>716,740</b>	<b>4,203,425</b>	<b>3,869,989</b>
<b>LIABILITIES</b>				
Current liabilities				
Current portion of claims payable	258,650	54,000	312,650	405,200
Claims payable, less current portion	2,327,850	486,000	2,813,850	3,648,800
<b>Total Liabilities</b>	<b>2,586,500</b>	<b>540,000</b>	<b>3,126,500</b>	<b>4,054,000</b>
<b>NET POSITION</b>				
Restricted	900,185	176,740	1,076,925	301,475
Unrestricted	-	-	-	(485,486)
<b>Total Net Position</b>	<b>\$ 900,185</b>	<b>\$ 176,740</b>	<b>\$ 1,076,925</b>	<b>\$ (184,011)</b>

**Village of Ossining, New York**

Internal Service Funds  
 Combining Statement of Revenues, Expenses and Changes  
 in Net Position  
 Year Ended December 31, 2014  
 (With Comparative Actuals for 2013)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2014	2013
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,248,524	\$ 743,820	\$ 1,992,344	\$ 2,064,097
Insurance recoveries	435,428	-	435,428	285,153
Total Operating Revenues	<u>1,683,952</u>	<u>743,820</u>	<u>2,427,772</u>	<u>2,349,250</u>
<b>OPERATING EXPENSES</b>				
Insurance	338,448	610,121	948,569	907,213
Contractual	80,061	144,085	224,146	233,490
Employee benefits	(115,485)	-	(115,485)	1,591,156
Judgments and claims	-	115,561	115,561	(67,815)
Total Operating Expenses	<u>303,024</u>	<u>869,767</u>	<u>1,172,791</u>	<u>2,664,044</u>
Income (Loss) from Operations	1,380,928	(125,947)	1,254,981	(314,794)
<b>NON-OPERATING REVENUES</b>				
Interest income	<u>4,743</u>	<u>1,212</u>	<u>5,955</u>	<u>4,705</u>
Change in Net Position	1,385,671	(124,735)	1,260,936	(310,089)
<b>NET POSITION</b>				
Beginning of Year	<u>(485,486)</u>	<u>301,475</u>	<u>(184,011)</u>	<u>126,078</u>
End of Year	<u>\$ 900,185</u>	<u>\$ 176,740</u>	<u>\$ 1,076,925</u>	<u>\$ (184,011)</u>

Village of Ossining, New York

Internal Service Funds  
 Combining Statement of Cash Flows  
 Year Ended December 31, 2014  
 (With Comparative Actuals for 2013)

	Workers' Compensation Benefits	General Liability Claims
	<u>                    </u>	<u>                    </u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and insurance recoveries	\$ 2,058,715	\$ 743,820
Cash payments to insurance carriers and claimants	<u>(1,248,524)</u>	<u>(851,767)</u>
Net Cash from Operating Activities	<u>810,191</u>	<u>(107,947)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<u>4,743</u>	<u>1,212</u>
Net Change in Cash and Equivalents	814,934	(106,735)
Cash and Equivalents - Beginning of Year	<u>2,499,320</u>	<u>823,475</u>
Cash and Equivalents - End of Year	<u><u>\$ 3,314,254</u></u>	<u><u>\$ 716,740</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ 1,380,928	\$ (125,947)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	(125,237)	-
Due from other funds	500,000	-
Account payable	-	-
Claims payable	<u>(945,500)</u>	<u>18,000</u>
Net Cash from Operating Activities	<u><u>\$ 810,191</u></u>	<u><u>\$ (107,947)</u></u>

Totals	
2014	2013
\$ 2,802,535	\$ 2,543,819
<u>(2,100,291)</u>	<u>(1,727,201)</u>
<u>702,244</u>	<u>816,618</u>
<u>5,955</u>	<u>4,705</u>
708,199	821,323
<u>3,322,795</u>	<u>2,501,472</u>
<u>\$ 4,030,994</u>	<u>\$ 3,322,795</u>
\$ 1,254,981	\$ (314,794)
(125,237)	(8,126)
500,000	202,695
-	(55,157)
<u>(927,500)</u>	<u>992,000</u>
<u>\$ 702,244</u>	<u>\$ 816,618</u>

Village of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Net Position  
December 31,

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 3,314,254	\$ 2,499,320
Accounts receivable	172,431	47,194
Due from other funds	-	500,000
	<u>3,486,685</u>	<u>3,046,514</u>
<b>LIABILITIES</b>		
Current liabilities		
Current portion of claims payable	258,650	353,000
Claims payable, less current portion	<u>2,327,850</u>	<u>3,179,000</u>
	<u>2,586,500</u>	<u>3,532,000</u>
<b>NET POSITION</b>		
Restricted	900,185	-
Unrestricted	<u>-</u>	<u>(485,486)</u>
	<u>\$ 900,185</u>	<u>\$ (485,486)</u>

Village of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Revenues, Expenses and Changes  
in Net Position  
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,248,524	\$ 1,466,779
Insurance recoveries	<u>435,428</u>	<u>285,153</u>
Total Operating Revenues	<u>1,683,952</u>	<u>1,751,932</u>
<b>OPERATING EXPENSES</b>		
Insurance	338,448	325,444
Contractual	80,061	124,179
Employee benefits	<u>(115,485)</u>	<u>1,591,156</u>
Total Operating Expenses	<u>303,024</u>	<u>2,040,779</u>
Income (Loss) from Operations	1,380,928	(288,847)
<b>NON-OPERATING REVENUES</b>		
Interest income	<u>4,743</u>	<u>3,308</u>
Change in Net Position	1,385,671	(285,539)
<b>NET POSITION</b>		
Beginning of Year	<u>(485,486)</u>	<u>(199,947)</u>
End of Year	<u>\$ 900,185</u>	<u>\$ (485,486)</u>

**Village of Ossining, New York**Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Cash Flows  
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and insurance recoveries	\$ 2,058,715	\$ 1,854,501
Cash payments to insurance carriers and claimants	<u>(1,248,524)</u>	<u>(1,021,936)</u>
Net Cash from Operating Activities	<u>810,191</u>	<u>832,565</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<u>4,743</u>	<u>3,308</u>
Net Increase in Cash and Equivalents	814,934	835,873
Cash and Equivalents - Beginning of Year	<u>2,499,320</u>	<u>1,663,447</u>
Cash and Equivalents - End of Year	<u><u>\$ 3,314,254</u></u>	<u><u>\$ 2,499,320</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ 1,380,928	\$ (288,847)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	(125,237)	(8,126)
Due from other funds	500,000	110,695
Accounts payable	-	(55,157)
Claims payable	<u>(945,500)</u>	<u>1,074,000</u>
Net Cash from Operating Activities	<u><u>\$ 810,191</u></u>	<u><u>\$ 832,565</u></u>

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund  
Comparative Statement of Net Position  
December 31,

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	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 716,740</u>	<u>\$ 823,475</u>
<b>LIABILITIES</b>		
Current liabilities		
Current portion of claims payable	54,000	52,200
Claims payable, less current portion	<u>486,000</u>	<u>469,800</u>
Total Liabilities	<u>540,000</u>	<u>522,000</u>
<b>NET POSITION</b>		
Restricted	<u>\$ 176,740</u>	<u>\$ 301,475</u>

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund  
Comparative Statement of Revenues, Expenses and Changes in Net Position  
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 743,820	\$ 597,318
<b>OPERATING EXPENSES</b>		
Insurance	610,121	581,769
Contractual	144,085	109,311
Judgments and claims	115,561	(67,815)
Total Operating Expenses	<u>869,767</u>	<u>623,265</u>
Loss from Operations	(125,947)	(25,947)
<b>NON-OPERATING REVENUES</b>		
Interest income	<u>1,212</u>	<u>1,397</u>
Change in Net Position	(124,735)	(24,550)
<b>NET POSITION</b>		
Beginning of Year	<u>301,475</u>	<u>326,025</u>
End of Year	<u>\$ 176,740</u>	<u>\$ 301,475</u>

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund  
Comparative Statement of Cash Flows  
Years Ended December 31,

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	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and insurance recoveries	\$ 743,820	\$ 689,318
Cash payments to insurance carriers and claimants	<u>(851,767)</u>	<u>(705,265)</u>
Net Cash From Operating Activities	<u>(107,947)</u>	<u>(15,947)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	<u>1,212</u>	<u>1,397</u>
Net Change in Cash and Equivalents	(106,735)	(14,550)
Cash and Equivalents - Beginning of Year	<u>823,475</u>	<u>838,025</u>
Cash and Equivalents - End of Year	<u><u>\$ 716,740</u></u>	<u><u>\$ 823,475</u></u>
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Loss from operations	\$ (125,947)	\$ (25,947)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	-	92,000
Claims payable	<u>18,000</u>	<u>(82,000)</u>
Net Cash from Operating Activities	<u><u>\$ (107,947)</u></u>	<u><u>\$ (15,947)</u></u>

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**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 Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York**

We have audited, in accordance with the 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, each major fund and the aggregate remaining fund information of the Village of Ossining, New York ("Village") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated May 5, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 a 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 a 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free from 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*.

We noted certain matters that we reported to the management of the Village in a separate letter.

## **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 results 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.



**O'Connor Davies, LLP**

Harrison, New York

May 5, 2015

**Report on Compliance For Each Major Federal Program and Report on  
Internal Control Over Compliance****Independent Auditor's Report****The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York****Report on Compliance for Each Major Federal Program**

We have audited the Village of Ossining, New York's ("Village") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended December 31, 2014. The Village's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Village's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Village's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Village complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

O'CONNOR DAVIES, LLP

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## Report on Internal Control Over Compliance

Management of the Village is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over compliance.

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

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*O'Connor Davies, LLP*

**O'Connor Davies, LLP**

Harrison, New York

May 5, 2015

Village of Ossining, New York

Schedule of Expenditures of Federal Awards  
 Year Ended December 31, 2014

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>		
Direct Program		
Section 8 Housing Choice Vouchers	14.871	\$ 3,059,742
Indirect Program - Passed through Westchester County		
Community Development Block Grant	14.218	72,000
<u>U.S. Department of Homeland Security</u>		
Direct Program		
Assistance to Firefighters Grant	97.044	1,951
Indirect Program - Passed Through New York State Division of Homeland Security and Emergency Services		
FEMA - Disaster Grants- Public Assistance	97.036	<u>5,365</u>
Total Federal Assistance		<u><u>\$ 3,139,058</u></u>

(1) Catalog of Federal Domestic Assistance Number

The accompanying notes are an integral part of this schedule.

## Village of Ossining, New York

Notes to Schedule of Expenditures of Federal Awards  
December 31, 2014

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### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Village of Ossining ("Village") under programs of the federal government for the year ended December 31, 2014. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments and Non-Profits Organizations*. Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in net position of the Village.

### **Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-133, *Cost Principles for State, Local and Indian Tribal Governments*, which established principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments.

**Village of Ossining, New York**

Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2014

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None

**Village of Ossining, New York**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2014

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**Section I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_ Yes   X   No

***Federal Awards***

Internal Control over major programs:

- Material weakness(es) identified? \_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_ Yes   X   None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? \_\_\_ Yes   X   No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?   X   Yes        No

**Village of Ossining, New York**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2014

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

