

Village of Tuckahoe, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2017

Village of Tuckahoe, New York

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Independent Auditors' Report

**The Honorable Mayor and Village Board
of the Village of Tuckahoe, 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 Tuckahoe, New York ("Village") as of and for the year ended May 31, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2017, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit for the year ended May 31, 2017 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended May 31, 2017 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2016 (not presented herein), and have issued our report thereon dated January 12, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2016 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2016.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

December 14, 2017

Village of Tuckahoe, New York
Management's Discussion and Analysis (MD&A)
May 31, 2017

Introduction

The management of the Village of Tuckahoe, New York (the "Village"), offers readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2017. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

Financial Highlights

- On the government-wide financial statements, the liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources at the close fiscal year 2017 by \$5,998,565. Of this amount, a net unrestricted deficit of \$10,544,672 exists.
- At the close of the current fiscal year, the Village's governmental funds reported combined ending fund balance of \$2,606,269, of which there is an unassigned balance of \$1,794,941. The fund balance of all governmental funds increased by \$497,223, primarily attributable to revenues and other financing sources exceeding expenditures and other financing uses in the General Fund.
- At the end of fiscal year 2017 the unassigned fund balance for the General Fund is \$1,794,941. At the end of fiscal year 2016 the unassigned fund balance was \$1,356,477.
- During the current fiscal year, the Village did not issue any new long-term obligations and other long-term liabilities were reduced by \$529,330 in scheduled payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements 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, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information indicating how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

The 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, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a group 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 the means by which the 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 two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing 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 two major governmental funds: the General Fund and the Capital Projects Fund. This information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Public Library Fund and Special Purpose Fund are grouped together as non-major governmental funds.

The Village adopts annual budgets for the General Fund and the Public Library Fund. Budgetary comparison statements have been provided for the General fund within the basic financial statements to demonstrate compliance with the respective budget, since it is classified as a major fund.

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 one type of fiduciary fund, an Agency Fund. Resources in the Agency Fund are held by the Village in a purely 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 Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include individual fund financial statements and schedules of budget to actual comparisons.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Village, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$5,998,565 at the close of fiscal year 2016-2017. The largest portion of the Village's net position is its investment in capital assets (land, construction-in-progress, buildings and improvements, machinery and equipment and infrastructure), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to its citizens and as a result these assets are not available for future spending. Although the Village's investment in 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.

The following table reflects the condensed Statement of Net Position:

	May 31,	
	2017	2016
Current assets	\$ 3,549,490	\$ 3,745,601
Capital assets, net	7,571,663	7,750,144
Total assets	11,121,153	11,495,745
Deferred Outflows of Resources	2,082,323	4,265,828
Current liabilities	906,859	1,631,724
Long-term liabilities	17,689,157	18,637,482
Total liabilities	18,596,016	20,269,206
Deferred Inflows of Resources	606,025	720,451
Net position		
Net investment in capital assets	4,387,917	4,205,170
Restricted	158,190	163,380
Unrestricted	(10,544,672)	(9,596,634)
Total net position	\$ (5,998,565)	\$ (5,228,084)

Restricted net position of \$158,190 represents resources that are subject to external restrictions on how they may be used. The restrictions are for the following purposes:

**Restricted Net Position
May 31,**

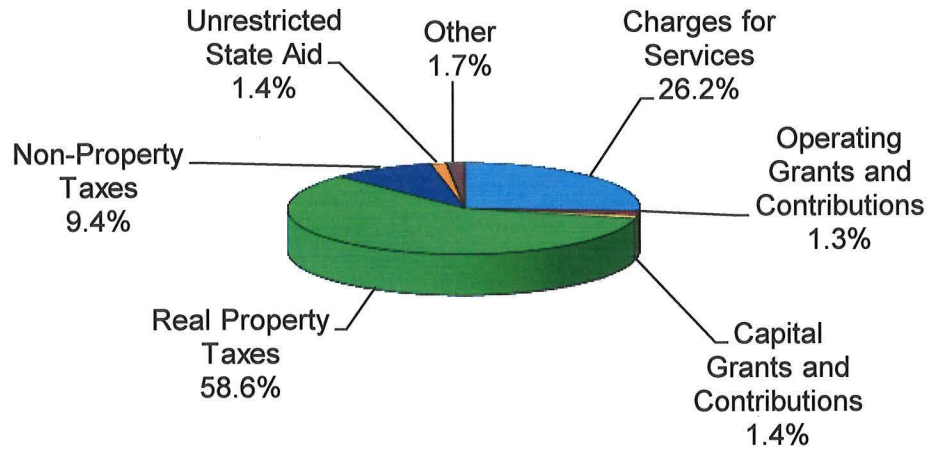
	May 31,	
	2017	2016
Special Purpose	\$ 158,190	\$ 163,380

Unrestricted net position exhibits a deficit of \$10,544,672. This deficit is primarily due to three items: (1) outstanding borrowings for tax certiorari judgments for which there are no offsetting assets, (2) an outstanding borrowing for partial payment of the Village's pension contribution, again resulting in no offsetting assets and (3) certain liabilities that have been accrued pursuant to Governmental Accounting Standards Board Statements No. 34, No. 45 and No. 68.

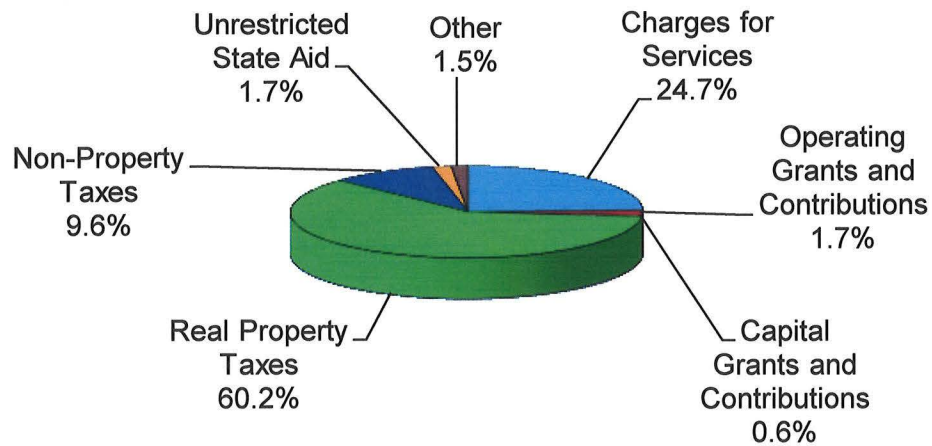
Change in Net Position

	Year Ended May 31,	
	2017	2016
Revenues		
Program Revenues		
Charges for Services	\$ 3,439,172	\$ 3,102,819
Operating Grants and Contributions	169,403	209,930
Capital Grants and Contributions	183,360	69,119
General Revenues		
Real Property Taxes	7,686,365	7,548,565
Other Tax Items	34,325	41,125
Non-Property Taxes	1,227,022	1,202,559
Unrestricted Use of Money and Property	65,981	52,629
Sale of Property and Compensation for Loss	20,362	34,013
Unrestricted State Aid	190,112	217,767
Miscellaneous	82,877	21,015
Insurance Recoveries	18,636	42,850
Total Revenues	<u>13,117,615</u>	<u>12,542,391</u>
Program Expenses		
General Government Support	2,522,951	2,895,876
Public Safety	6,903,026	6,728,295
Health	4,766	8,652
Transportation	2,401,974	2,200,346
Culture and Recreation	730,575	717,571
Home and Community Services	1,151,026	1,116,672
Interest	173,778	157,751
Total Expenses	<u>13,888,096</u>	<u>13,825,163</u>
Change in Net Position	(770,481)	(1,282,772)
Net Deficit - Beginning	(5,228,084)	(3,593,263)
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(352,049)</u>
Net Deficit - Beginning, as restated	<u>(5,228,084)</u>	<u>(3,945,312)</u>
Net Deficit - Ending	<u>\$ (5,998,565)</u>	<u>\$ (5,228,084)</u>

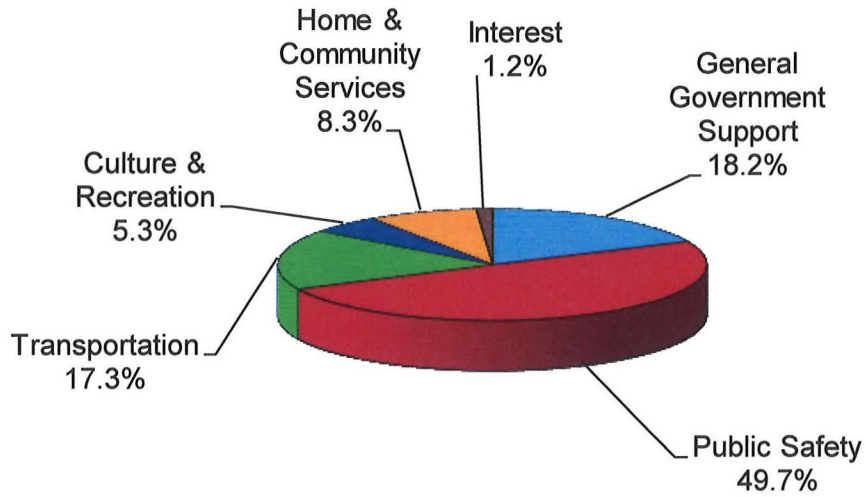
**Sources of Revenue for Fiscal 2017
Governmental Activities**



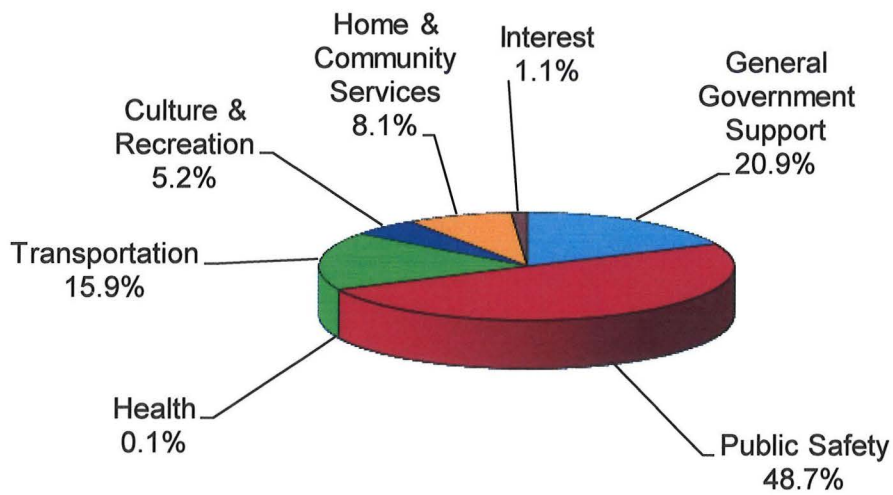
**Sources of Revenue for Fiscal 2016
Governmental Activities**



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



**Sources of Expenses for Fiscal Year 2016
Governmental Activities**



Governmental Activities

Governmental activities decreased the Village's net position by \$770,481 in 2017. The net position decreased by \$1,282,772 in 2016.

For the fiscal years ended May 31, 2017 and 2016, revenues from governmental activities totaled \$13,117,615 and \$12,542,391 respectively. Tax revenues (\$8,947,712 in 2017 and (\$8,792,249 in 2016), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (68% in 2017 and 69.8% in 2016).

The largest component of the Village's governmental activities expenses are public safety (49.7% in 2017 and 48.7% in 2016), transportation (17.3% in 2017 and 15.9% in 2016) and general government support (18.2% in 2017 and 20.9% in 2016).

The major changes are as follows:

Revenues:

- Total general revenues increased by \$165,157 or 1.8% with real property taxes increasing by \$137,800 and sales tax distributions from the county increased by \$13,039.
- Charges for services increased by \$336,353 due to the increased in building permits and increase in traffic fines.
- Capital grants and contributions increased by \$114,241 due to a contribution from developer for improvements to Main Street.
- Operating Grants and Contributions decreased by \$40,527 due to decrease in funding from the state for public safety and library services.

Expenses:

- Total general expenses increased by \$62,933 or 0.5% due mainly to the fact that the village did not borrow money to fund tax refunds. Other services, including Police and Public Works, increased mainly due to labor contract agreements.

Financial Analysis of the Village's Funds

It is still noteworthy to report that the Governmental Accounting Standards Board ("GASB") issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in February 2009. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

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

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

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

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 fund balance of \$2,606,269. Of this amount \$719,493 has been classified as restricted, \$46,308 as nonspendable and unassigned balance of \$1,794,941.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,794,941. Revenues and other financing sources were \$12,850,869, which was \$364,848 higher than the final budget. The major areas where revenues were higher than the final budget were licenses and permits, use of money and property and fines and forfeitures and refund of prior year's expenditures. Expenditures and other financing uses were \$12,456,205 which was \$29,816 less than the final budget.

General Fund Budgetary Highlights

The actual total revenues realized for the year ended May 31, 2017 exceeded the anticipated amount in the final budget by \$364,848. The largest components of the surplus were \$237,683 in license and permit fees and \$79,222 in refund of prior year's expenditures.

Capital Asset and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2017 net of \$5,252,646 of accumulated depreciation, was \$7,571,663. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

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

- The purchase of two police vehicles and a truck for public works department.
- Improvements to the Main Street Park.
- Repaving of Village Streets
- Completion of the Library LED Project.

Additional information on the Village's capital assets can be found in the notes to the financial statements.

Capital Assets May 31,		
	<u>2017</u>	<u>2016</u>
Capital Assets, Not Being Depreciated		
Land	\$ 522,710	\$ 522,710
Construction-in-Progress	<u>10,236</u>	<u>746</u>
Total Capital Assets, not being depreciated	<u>\$ 532,946</u>	<u>\$ 523,456</u>
Capital Assets, Being Depreciated		
Building and Improvements	6,245,333	6,164,338
Machinery and Equipment	2,551,196	2,510,841
Infrastructure	<u>3,494,834</u>	<u>3,362,770</u>
Total Capital Assets, being depreciated	<u>12,291,363</u>	<u>12,037,949</u>
Less Accumulated Depreciation for		
Building and Improvements	3,051,928	2,864,931
Machinery and Equipment	1,729,136	1,602,108
Infrastructure	<u>471,582</u>	<u>344,222</u>
Total accumulated depreciation	<u>5,252,646</u>	<u>4,811,261</u>
Total Capital Assets, being Depreciated, net	<u>\$ 7,038,717</u>	<u>\$ 7,226,688</u>
Capital Assets, net	<u>\$ 7,571,663</u>	<u>\$ 7,750,144</u>

Long-Term Debt/Short-Term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$5,993,535. 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 current fiscal year, the Village retired \$529,330 in long-term debt (serial bonds). The Village during the current year did not issue any new long term indebtedness or bond anticipation notes.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a "constitutional debt limit". This debt limit is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property within the Village. At May 31, 2017, the Village exhausted 8.66% of its constitutional debt capacity, and accordingly has the authority to issue up to an additional \$63,200,523 of general obligation long-term debt.

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

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to David Burke, Village Administrator, Village of Tuckahoe, 65 Main Street, Tuckahoe, New York, 10707.

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Village of Tuckahoe, New York

Statement of Net Position

May 31, 2017

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 2,881,814
Receivables	
Taxes	100,272
Accounts	180,612
Due from State and Federal governments	88,701
Due from other governments	292,289
Prepaid expenses	5,802
Capital assets	
Not being depreciated	532,946
Being depreciated, net	<u>7,038,717</u>
Total Assets	<u>11,121,153</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>2,082,323</u>
LIABILITIES	
Accounts payable	458,117
Accrued liabilities	162,159
Due to other governments	237,305
Accrued interest payable	49,278
Non-current liabilities	
Due within one year	549,133
Due in more than one year	<u>17,140,024</u>
Total Liabilities	<u>18,596,016</u>
DEFERRED INFLOWS OF RESOURCES	<u>606,025</u>
NET POSITION	
Net investment in capital assets	4,387,917
Restricted	
Special purpose	158,190
Unrestricted	<u>(10,544,672)</u>
Total Net Position	<u>\$ (5,998,565)</u>

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

Village of Tuckahoe, New York

Statement of Activities
Year Ended May 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 2,522,951	\$ 1,170,614	\$ 9,300	\$ -
Public safety	6,903,026	711,244	70,543	-
Health	4,766	-	-	-
Transportation	2,401,974	1,368,213	87,679	1,023
Culture and recreation	730,575	78,687	1,881	182,337
Home and community services	1,151,026	110,414	-	-
Interest	173,778	-	-	-
Total Governmental Activities	<u>\$ 13,888,096</u>	<u>\$ 3,439,172</u>	<u>\$ 169,403</u>	<u>\$ 183,360</u>

General revenues

Real property taxes

Other tax items

Payments in lieu of taxes

Interest and penalties on real property taxes

Non-property taxes

Non-property tax distribution from County

Utilities gross receipts taxes

Unrestricted use of money and property

Sale of property and compensation for loss

Unrestricted State aid

Miscellaneous

Insurance recoveries

Total General Revenues

Change in Net Position

NET POSITION (DEFICIT)

Beginning

Ending

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

<hr/> Net (Expense) Revenue and Changes in Net Position <hr/>	
\$	(1,343,037)
	(6,121,239)
	(4,766)
	(945,059)
	(467,670)
	(1,040,612)
	<hr/> (173,778)
	 <hr/> (10,096,161)
	 7,686,365
	 15,187
	19,138
	 957,590
	269,432
	65,981
	20,362
	190,112
	82,877
	<hr/> 18,636
	 9,325,680
	<hr/> (770,481)
	 <hr/> (5,228,084)
\$	<hr/> (5,998,565)

Village of Tuckahoe, New York

Balance Sheet
Governmental Funds
May 31, 2017

	General	Capital Projects
ASSETS		
Cash and equivalents	\$ 2,874,230	\$ 1,173
Taxes receivable	100,272	-
Other receivables		
Accounts	180,612	-
Due from State and Federal governments	87,679	1,022
Due from other governments	292,289	-
Due from other funds	-	602,793
Advances to other funds	40,506	-
	601,086	603,815
Prepaid expenditures	5,802	-
Total Assets	<u>\$ 3,581,390</u>	<u>\$ 604,988</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 444,100	\$ 3,179
Accrued liabilities	162,159	-
Due to other governments	237,305	-
Due to other funds	810,937	-
Advances from other funds	-	40,506
Total Liabilities	1,654,501	43,685
Deferred inflows of resources		
Deferred tax revenues	85,640	-
Total Liabilities and Deferred Inflows of Resources	<u>1,740,141</u>	<u>43,685</u>
Fund balances		
Nonspendable	46,308	-
Restricted	-	561,303
Assigned	-	-
Unassigned	1,794,941	-
Total Fund Balances	<u>1,841,249</u>	<u>561,303</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,581,390</u>	<u>\$ 604,988</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 6,411	\$ 2,881,814
-	100,272
-	180,612
-	88,701
-	292,289
333,595	936,388
-	40,506
333,595	1,538,496
-	5,802
\$ 340,006	\$ 4,526,384
\$ 10,838	\$ 458,117
-	162,159
-	237,305
125,451	936,388
-	40,506
136,289	1,834,475
-	85,640
136,289	1,920,115
-	46,308
158,190	719,493
45,527	45,527
-	1,794,941
203,717	2,606,269
\$ 340,006	\$ 4,526,384

Village of Tuckahoe, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position May 31, 2017

Fund Balances - Total Governmental Funds	\$ 2,606,269
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>7,571,663</u>
Governmental funds do not reflect the effect of assets or liabilities related to net pension liabilities where these amounts are deferred and amortized on the statement of net position. Deferred amounts on net pension liabilities	<u>1,476,298</u>
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred in the funds. Real property taxes	<u>85,640</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds. Accrued interest payable Bonds payable Compensated absences Net pension liability Other post employment benefit obligations payable	<u>(49,278)</u> <u>(5,993,535)</u> <u>(568,464)</u> <u>(2,587,158)</u> <u>(8,540,000)</u>
	<u>(17,738,435)</u>
Net Position of Governmental Activities	<u>\$ (5,998,565)</u>

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

Village of Tuckahoe, New York

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

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES				
Real property taxes	\$ 7,660,853	\$ -	\$ -	\$ 7,660,853
Other tax items	34,325	-	-	34,325
Non-property taxes	1,227,022	-	-	1,227,022
Departmental income	1,513,283	-	6,193	1,519,476
Intergovernmental charges	145,329	-	-	145,329
Use of money and property	308,678	-	10	308,688
Licenses and permits	923,986	-	-	923,986
Fines and forfeitures	603,356	-	-	603,356
Sale of property and compensation for loss	20,362	-	-	20,362
State aid	299,619	15,609	1,881	317,109
Miscellaneous	95,420	167,751	49,790	312,961
Total Revenues	12,832,233	183,360	57,874	13,073,467
EXPENDITURES				
Current				
General government support	1,825,956	-	-	1,825,956
Public safety	3,717,008	-	20,974	3,737,982
Health	2,631	-	-	2,631
Transportation	1,383,060	-	-	1,383,060
Culture and recreation	129,076	-	395,313	524,389
Home and community services	775,205	-	-	775,205
Employee benefits	3,199,976	-	102,236	3,302,212
Debt service				
Principal	529,330	-	-	529,330
Interest	179,797	-	-	179,797
Capital outlay	-	334,318	-	334,318
Total Expenditures	11,742,039	334,318	518,523	12,594,880
Excess (Deficiency) of Revenues Over Expenditures	1,090,194	(150,958)	(460,649)	478,587
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	18,636	-	-	18,636
Transfers in	-	231,094	483,072	714,166
Transfers out	(714,166)	-	-	(714,166)
Total Other Financing Sources (Uses)	(695,530)	231,094	483,072	18,636
Net Change in Fund Balances	394,664	80,136	22,423	497,223
FUND BALANCES				
Beginning of Year	1,446,585	481,167	181,294	2,109,046
End of Year	\$ 1,841,249	\$ 561,303	\$ 203,717	\$ 2,606,269

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

Village of Tuckahoe, New York

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

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

Net Change in Fund Balances - Total Governmental Funds	\$ 497,223
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.	
Capital outlay expenditures	326,632
Depreciation expense	(505,113)
	(178,481)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	25,512
Long-term debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal paid on bonds	529,330
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	6,019
Compensated absences	(24,085)
Pension obligations	(435,999)
Other post employment benefit obligations	(1,190,000)
	(1,644,065)
Change in Net Position of Governmental Activities	\$ (770,481)

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

Village of Tuckahoe, New York

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund
Year Ended May 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 7,785,807	\$ 7,785,807	\$ 7,660,853	\$ (124,954)
Other tax items	36,700	36,700	34,325	(2,375)
Non-property taxes	1,188,089	1,188,089	1,227,022	38,933
Departmental income	1,476,054	1,476,054	1,513,283	37,229
Intergovernmental charges	139,898	139,898	145,329	5,431
Use of money and property	268,288	268,288	308,678	40,390
Licenses and permits	549,560	686,303	923,986	237,683
Fines and forfeitures	501,250	546,592	603,356	56,764
Sale of property and compensation for loss	19,500	19,500	20,362	862
State aid	295,696	311,790	299,619	(12,171)
Miscellaneous	27,000	27,000	95,420	68,420
Total Revenues	12,287,842	12,486,021	12,832,233	346,212
EXPENDITURES				
Current				
General government support	1,741,070	1,837,389	1,825,956	11,433
Public safety	3,589,193	3,724,879	3,717,008	7,871
Health	3,000	3,000	2,631	369
Transportation	1,313,648	1,388,469	1,383,060	5,409
Culture and recreation	137,093	130,607	129,076	1,531
Home and community services	737,129	777,252	775,205	2,047
Employee benefits	3,395,506	3,201,127	3,199,976	1,151
Debt service				
Principal	529,330	529,331	529,330	1
Interest	179,801	179,801	179,797	4
Total Expenditures	11,625,770	11,771,855	11,742,039	29,816
Excess of Revenues Over Expenditures	662,072	714,166	1,090,194	376,028
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	18,636	18,636
Transfers out	(662,072)	(714,166)	(714,166)	-
Total Other Financing Uses	(662,072)	(714,166)	(695,530)	18,636
Net Change in Fund Balance	-	-	394,664	394,664
FUND BALANCE				
Beginning of Year	-	-	1,446,585	1,446,585
End of Year	\$ -	\$ -	\$ 1,841,249	\$ 1,841,249

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

Village of Tuckahoe, New York

Statement of Assets and Liabilities

Fiduciary Fund

May 31, 2017

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 69,721
Accounts receivable	<u>71,180</u>
 Total Assets	 <u><u>\$ 140,901</u></u>
 LIABILITIES	
Customer, guaranty and other deposits	<u><u>\$ 140,901</u></u>

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

Note 1 - Summary of Significant Accounting Policies

The Village of Tuckahoe, New York ("Village") was established in 1902 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 Mayor 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, 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.

The following organization is related to the Village.

The Tuckahoe Housing Authority ("Authority") is a public benefit corporation created by State legislation to promote the development of adequate housing for the citizens of the Village. Members of the Authority are appointed by the Mayor for a specified term. Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The Village is not liable for Authority bonds or notes.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Separate financial statements are provided for governmental 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.

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, revenues and expenditures. 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 aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund financial 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 explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

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

General Fund - The General Fund constitutes the primary operating fund of the Village and is used to account for and report all financial resources not accounted for and reported in another fund.

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned

Note 1 - Summary of Significant Accounting Policies (Continued)

to expenditures for specified purposes other than debt service or capital projects. The special revenue funds of the Village are as follows:

Public Library Fund - The Public Library Fund is used to account for the activities of the Village's Public Library.

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. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Agency Fund is also used to account for employee payroll tax withholdings that are payable to other jurisdictions.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Cash and Equivalents, Investments and Risk Disclosure

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

The Village's deposits and investment policies are governed by State statutes. The Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

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

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Risk Disclosure

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2017.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

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

Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of June 1st and are levied and payable in two installments, due in June and December. The Village is responsible for the billing and collection of its own taxes and also has the responsibility 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 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 May 31, 2017, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

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

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 capitalized. Property, plant 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>
Buildings and improvements	10-40
Machinery and equipment	5
Infrastructure	25-40

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.

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

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

The Village reported deferred inflows of resources of \$85,640 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation of service. Police officers also are entitled to terminal leave upon retirement based on longevity. 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 has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability - The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions made Subsequent to the Measurement Date"*.

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their 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 and restricted for special purpose. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets, deferred outflows of resources, 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).

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 will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Trustees is the highest level of decision making authority for the Village that can, by adoption of a resolution prior to the end of the fiscal year, commit fund

Note 1 - Summary of Significant Accounting Policies (Continued)

balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Village's Board of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

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

F. Encumbrances

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

G. Use of Estimates

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 December 14, 2017.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

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 2016-2017 fiscal year was \$19,261,232 which exceeded the actual levy by \$11,475,425

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

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Village (Town, School District, City, etc.) in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 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 Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

D. Capital Projects Fund Deficits

The deficit in a certain individual capital project arises because of expenditures exceeding current financing on the project. This deficit will be eliminated with the subsequent receipt or issuance of authorized financing.

E. Expenditures in Excess of Budget

The Crestwood Streetscape – Phase III capital project exceeded its budgetary authorization in the amount of \$40,506.

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
 May 31, 2017

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

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

Current year	\$ 49,562
Prior years	<u>50,710</u>
	<u>\$ 100,272</u>

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

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>	<u>Advances To (From)</u>
General	\$ -	\$ 810,937	\$ 40,506
Capital Projects	602,793	-	(40,506)
Non-Major Governmental	<u>333,595</u>	<u>125,451</u>	<u>-</u>
	<u>\$ 936,388</u>	<u>\$ 936,388</u>	<u>\$ -</u>

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

C. Capital Assets

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

<u>Class</u>	<u>Balance June 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2017</u>
Capital Assets, not being depreciated				
Land	\$ 522,710	\$ -	\$ -	\$ 522,710
Construction-in-progress	<u>746</u>	<u>9,490</u>	<u>-</u>	<u>10,236</u>
Total Capital Assets, not being depreciated	<u>\$ 523,456</u>	<u>\$ 9,490</u>	<u>\$ -</u>	<u>\$ 532,946</u>
Capital Assets, being depreciated				
Buildings and improvements	\$ 6,164,338	\$ 80,995	\$ -	\$ 6,245,333
Machinery and equipment	2,510,841	104,083	63,728	2,551,196
Infrastructure	<u>3,362,770</u>	<u>132,064</u>	<u>-</u>	<u>3,494,834</u>
Total Capital Assets, being depreciated	<u>12,037,949</u>	<u>317,142</u>	<u>63,728</u>	<u>12,291,363</u>

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance June 1, 2016	Additions	Deletions	Balance May 31, 2017
Less Accumulated Depreciation for				
Buildings and improvements	\$ 2,864,931	\$ 186,997	\$ -	\$ 3,051,928
Machinery and equipment	1,602,108	190,756	63,728	1,729,136
Infrastructure	344,222	127,360	-	471,582
Total Accumulated Depreciation	4,811,261	505,113	63,728	5,252,646
Total Capital Assets, being depreciated, net	\$ 7,226,688	\$ (187,971)	\$ -	\$ 7,038,717
Capital Assets, net	\$ 7,750,144	\$ (178,481)	\$ -	\$ 7,571,663

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

Governmental Activities	
General Government Support	\$ 124,952
Public Safety	78,881
Transportation	225,409
Culture and Recreation	51,479
Home and Community Services	24,392
Total Depreciation Expense	\$ 505,113

D. Accrued Liabilities

The Village has reported accrued liabilities for payroll and employee benefits of \$90,979 and contractual obligations of \$71,180 in the General Fund.

E. Long-Term Indebtedness

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

	Balance June 1, 2016	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2017	Due Within One Year
Bonds Payable					
Capital	\$ 4,111,374	\$ -	\$ 325,819	\$ 3,785,555	\$ 300,829
Non-capital	2,411,491	-	203,511	2,207,980	191,304
	6,522,865	-	529,330	5,993,535	492,133
Compensated Absences	544,379	78,485	54,400	568,464	57,000
Net Pension Liability	4,220,238	-	1,633,080	2,587,158	-
Other Post Employment Benefit Obligations Payable	7,350,000	1,860,000	670,000	8,540,000	-
	\$ 18,637,482	\$ 1,938,485	\$ 2,886,810	\$ 17,689,157	\$ 549,133

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for bonds, compensated absences, net pension liability and other post-employment benefit obligations are liquidated by the General Fund.

Bonds Payable

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

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding</u>
Various Village Purposes	2006	\$ 782,000	February, 2021	4.53 %	\$ 208,535
Various Village Purposes	2010	1,745,757	July, 2024	2.00 - 5.00	1,050,000
Various Village Purposes	2013	2,154,840	February 2031	2.50 - 3.25	1,725,000
Various Village Purposes	2015	3,227,197	June, 2028	2.00 - 3.00	3,010,000
					<u>\$ 5,993,535</u>

Interest expenditures of \$179,797 were recorded in the fund financial statements in the General Fund. Interest expense of \$173,778 was recorded in the government-wide financial statements.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding at May 31, 2017 including interest payments of \$1,067,440 are as follows:

<u>Year Ending May 31,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 492,133	\$ 163,360
2019	502,134	150,061
2020	517,134	136,311
2021	522,134	121,706
2022	490,000	106,338
2023-2027	2,330,000	326,506
2028-2031	1,140,000	63,158
	<u>\$ 5,993,535</u>	<u>\$ 1,067,440</u>

The above general obligations bonds 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.

Compensated Absences

Pursuant to collective bargaining agreements, substantially all full-time employees, with the exception of police officers, are entitled to accumulate sick leave up to a maximum of 200 days. These employees may receive payment for sick leave for 50% of the number of days accumulated. Police officers are entitled to unlimited sick leave and are, therefore, not entitled to be compensated for such leave. Vacation time is required to be taken in the year earned by police officers, but may

Note 3 - Detailed Notes on All Funds (Continued)

be accumulated by other employees. Police officers are entitled to terminal leave upon retirement after 12 years of service to the Village. The value of compensated absences has been reflected in the government-wide financial statements.

Pension Plans

New York State and Local Retirement System

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	21.6 %
	4 A15	15.8
	6 A15	9.2
PFRS	2 384D	24.1 %
	5 384D	19.5
	6 384D	14.5

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

At May 31, 2017, the Village reported a liability of \$856,654 for its proportionate share of the net pension liability of ERS and a liability of \$1,730,504 for its proportionate share of the net pension liability of PFRS. The net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At May 31, 2017, the Village's proportion was 0.0091170% for ERS and 0.0834922% for PFRS, which was a decrease of 0.0006327% for ERS and 0.0061926% for PFRS from its proportion measured as of March 31, 2016.

For the year ended May 31, 2017, the Village recognized pension expense in the government-wide financial statements of \$483,227 for ERS and \$998,098 for PFRS. Pension expenditures of \$356,834 for ERS and \$688,492 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 336,734	\$ 688,492
Library	20,100	-
	<u>\$ 356,834</u>	<u>\$ 688,492</u>

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

	<u>ERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 21,467	\$ 130,088	\$ 227,012	\$ 298,993
Changes of assumptions	292,665	-	852,546	-
Net difference between projected and actual earnings on pension plan investments	171,109	-	258,448	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	33,562	63,444	12,094	113,500
Village contributions subsequent to the measurement date	92,663	-	120,757	-
	<u>\$ 611,466</u>	<u>\$ 193,532</u>	<u>\$ 1,470,857</u>	<u>\$ 412,493</u>

\$92,663 and \$120,757 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

Year Ended March 31,	ERS	PFRS
2018	\$ 152,138	\$ 313,323
2019	152,138	313,323
2020	146,687	294,033
2021	(125,692)	(17,799)
2022	-	34,727

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

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

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

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

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

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

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

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

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

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,735,985</u>	<u>\$ 856,654</u>	<u>\$ (732,316)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 4,905,878</u>	<u>\$ 1,730,504</u>	<u>\$ (932,858)</u>

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

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

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Accrued retirement contributions as of May 31, 2017 represent the employer contribution for the period of April 1, 2017 through May 31, 2017 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS and PFRS as of May 31, 2017 were \$92,663 and \$120,757, respectively.

Note 3 - Detailed Notes on All Funds (Continued)

Voluntary Defined Contribution Plan

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

Other Post Employment Benefit Obligations

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

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

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

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

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

<u>Year Ended May 31,</u>	<u>Assumed Increase</u>
2018	9.00 %
2019	8.50
2020	8.00
2021	7.50
2022	7.00
2023	6.50
2024	6.00
2025	5.50
2026+	5.00

The amortization basis is the level percentage method with an open amortization approach with 22 years remaining in the amortization period. The actuarial assumptions include a 4.5% investment rate of return and a 3% annual payroll growth rate. 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 June 1, 2016 was as follows:

Active Employees	55
Retired Employees	<u>46</u>
Total	<u><u>101</u></u>

Amortization Component:

Actuarial Accrued Liability as of June 1, 2016	\$ 23,380,000
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 23,380,000</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (active plan members)	<u><u>\$ 5,960,000</u></u>
UAAL as a Percentage of Covered Payroll	<u><u>392.28%</u></u>
Annual Required Contribution	\$ 1,960,000
Interest on Net OPEB Obligation	330,000
Adjustment to Annual Required Contribution	<u>(430,000)</u>
Annual OPEB Cost	1,860,000
Contributions Made	<u>(670,000)</u>
Increase in Net OPEB Obligation	1,190,000
Net OPEB Obligation - Beginning of Year	<u>7,350,000</u>
Net OPEB Obligation - End of Year	<u><u>\$ 8,540,000</u></u>

Village of Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Fiscal Year Ended May 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2017	\$ 1,860,000	36.0 %	\$ 8,540,000
2016	1,790,000	30.7	7,350,000
2015	1,750,000	32.0	6,110,000

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

F. 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.

<u>Transfers Out</u>	<u>Transfer In</u>		<u>Total</u>
	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	
General Fund	<u>\$ 231,094</u>	<u>\$ 483,072</u>	<u>\$ 714,166</u>

Transfers are used to 1) move funds earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move funds from the operating funds to fulfill commitments for Public Library Fund expenditures.

G. 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 Special Purpose - the component of net position that represents funds restricted for specific purposes under New York State law or by 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 Tuckahoe, New York

Notes to Financial Statements (Continued)
May 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2017				2016			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable								
Prepaid expenditures	\$ 5,802	\$ -	\$ -	\$ 5,802	\$ 6,355	\$ -	\$ -	\$ 6,355
Advances	40,506	-	-	40,506	83,753	-	-	83,753
	46,308	-	-	46,308	90,108	-	-	90,108
Restricted								
Special purpose	-	-	158,190	158,190	-	-	163,380	163,380
Capital projects	-	561,303	-	561,303	-	481,167	-	481,167
Total Restricted	-	561,303	158,190	719,493	-	481,167	163,380	644,547
Assigned								
Library	-	-	45,527	45,527	-	-	17,914	17,914
Unassigned	1,794,941	-	-	1,794,941	1,356,477	-	-	1,356,477
Total Fund Balances	<u>\$ 1,841,249</u>	<u>\$ 561,303</u>	<u>\$ 203,717</u>	<u>\$ 2,606,269</u>	<u>\$ 1,446,585</u>	<u>\$ 481,167</u>	<u>\$ 181,294</u>	<u>\$ 2,109,046</u>

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 government funds balance sheet are described below.

Prepaid Expenditures has been established to account for the purchase of day camp supplies made in advance. This amount is classified as nonspendable to indicate that the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Advances 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 amounts advanced to the Capital Projects fund that are not expected to be repaid within one year.

Restricted for Capital Projects - the component of fund balance that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted 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 false arrest, property damages or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

B. Contingencies

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

C. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains general liability insurance coverage with policy limits of \$3 million and law enforcement liability insurance coverage with policy limits of \$1 million. In addition, the Village maintains an umbrella liability policy which provides coverage up to \$10 million. The Village also purchases conventional workers' compensation and medical insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Village of Tuckahoe, New York**Required Supplementary Information - Schedule of Funding Progress
Other Post Employment Benefits
Last Three Fiscal Years**

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2014	\$ -	\$ 22,430,000	\$ 22,430,000	- %	\$ 5,550,000	404.14 %
June 1, 2015	-	22,560,000	22,560,000	-	5,720,000	394.41
June 1, 2016	-	23,380,000	23,380,000	-	5,960,000	392.28

See independent auditors' report.

Village of Tuckahoe, New York

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

	2017	2016
Village's proportion of the net pension liability	<u>0.0091170%</u>	<u>0.0097497%</u>
Village's proportionate share of the net pension liability	<u>\$ 856,654</u>	<u>\$ 1,564,861</u>
Village's covered-employee payroll	<u>\$ 2,617,273</u>	<u>\$ 2,458,698</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>32.73%</u>	<u>63.65%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>94.70%</u>	<u>90.70%</u>

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

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

See independent auditors' report.

Village of Tuckahoe, New York

Required Supplementary Information - Schedule of Contributions New York State and Local Employees' Retirement System Last Ten Fiscal Years (1)

	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 332,506	\$ 457,617
Contributions in relation to the contractually required contribution	<u>(332,506)</u>	<u>(457,617)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 2,530,159</u>	<u>\$ 2,403,525</u>
Contributions as a percentage of covered-employee payroll	<u>13.14%</u>	<u>19.04%</u>

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

See independent auditors' report.

Village of Tuckahoe, New York

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

	2017	2016
Village's proportion of the net pension liability	<u>0.0834922%</u>	<u>0.0896848%</u>
Village's proportionate share of the net pension liability	<u>\$ 1,730,504</u>	<u>\$ 2,655,377</u>
Village's covered payroll	<u>\$ 3,065,078</u>	<u>\$ 2,863,739</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>56.46%</u>	<u>92.72%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.50%</u>	<u>90.20%</u>

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

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

See independent auditors' report.

Village of Tuckahoe, New York**Required Supplementary Information - Schedule of Contributions
New York State and Local Police and Fire Retirement System
Last Ten Fiscal Years (1)**

	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 682,582	\$ 725,865
Contributions in relation to the contractually required contribution	<u>(682,582)</u>	<u>(725,865)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>
Village's covered-employee payroll	<u>\$ 2,988,763</u>	<u>\$ 2,992,451</u>
Contributions as a percentage of covered payroll	<u>22.84%</u>	<u>24.26%</u>

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

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Village of Tuckahoe, New York

General Fund
Comparative Balance Sheet
May 31,

	2017	2016
ASSETS		
Cash and equivalents	\$ 2,874,230	\$ 3,033,433
Taxes receivable	100,272	62,378
Other receivables		
Accounts	180,612	149,229
Due from State and Federal governments	87,679	81,368
Due from other governments	292,289	282,102
Advances to other funds	40,506	83,753
	601,086	596,452
Prepaid expenditures	5,802	6,355
Total Assets	\$ 3,581,390	\$ 3,698,618
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 444,100	\$ 569,740
Accrued liabilities	162,159	332,836
Due to other governments	237,305	195,726
Due to other funds	810,937	1,093,603
Total Liabilities	1,654,501	2,191,905
Deferred inflows of resources		
Deferred tax revenues	85,640	60,128
Total Liabilities and Deferred Inflows of Resources	1,740,141	2,252,033
Fund balance		
Nonspendable	46,308	90,108
Unassigned	1,794,941	1,356,477
Total Fund Balance	1,841,249	1,446,585
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,581,390	\$ 3,698,618

See independent auditors' report.

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

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 7,785,807	\$ 7,785,807	\$ 7,660,853	\$ (124,954)
Other tax items	36,700	36,700	34,325	(2,375)
Non-property taxes	1,188,089	1,188,089	1,227,022	38,933
Departmental income	1,476,054	1,476,054	1,513,283	37,229
Intergovernmental charges	139,898	139,898	145,329	5,431
Use of money and property	268,288	268,288	308,678	40,390
Licenses and permits	549,560	686,303	923,986	237,683
Fines and forfeitures	501,250	546,592	603,356	56,764
Sale of property and compensation for loss	19,500	19,500	20,362	862
State aid	295,696	311,790	299,619	(12,171)
Miscellaneous	27,000	27,000	95,420	68,420
Total Revenues	12,287,842	12,486,021	12,832,233	346,212
EXPENDITURES				
Current				
General government support	1,741,070	1,837,389	1,825,956	11,433
Public safety	3,589,193	3,724,879	3,717,008	7,871
Health	3,000	3,000	2,631	369
Transportation	1,313,648	1,388,469	1,383,060	5,409
Culture and recreation	137,093	130,607	129,076	1,531
Home and community services	737,129	777,252	775,205	2,047
Employee benefits	3,395,506	3,201,127	3,199,976	1,151
Debt service				
Principal	529,330	529,331	529,330	1
Interest	179,801	179,801	179,797	4
Total Expenditures	11,625,770	11,771,855	11,742,039	29,816
Excess (Deficiency) of Revenues Over Expenditures	662,072	714,166	1,090,194	376,028
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Insurance recoveries	-	-	18,636	18,636
Transfers out	(662,072)	(714,166)	(714,166)	-
Total Other Financing Sources (Uses)	(662,072)	(714,166)	(695,530)	18,636
Net Change in Fund Balance	-	-	394,664	394,664
FUND BALANCE				
Beginning of Year	-	-	1,446,585	1,446,585
End of Year	\$ -	\$ -	\$ 1,841,249	\$ 1,841,249

See independent auditors' report.

2016			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,641,763	\$ 7,641,763	\$ 7,556,353	\$ (85,410)
33,500	33,500	41,125	7,625
1,209,000	1,209,000	1,202,559	(6,441)
1,377,150	1,377,150	1,434,367	57,217
121,898	121,898	121,406	(492)
270,000	270,000	284,278	14,278
513,650	513,650	832,968	319,318
367,805	367,805	469,467	101,662
16,700	16,700	34,013	17,313
292,569	292,569	346,813	54,244
24,225	24,225	33,255	9,030
11,868,260	11,868,260	12,356,604	488,344
1,732,295	2,389,223	2,237,104	152,119
3,446,900	3,682,660	3,650,147	32,513
3,000	3,751	3,751	-
1,159,679	1,291,623	1,250,352	41,271
134,973	136,815	119,560	17,255
712,080	787,205	734,463	52,742
3,596,500	3,185,855	3,117,241	68,614
322,133	597,134	597,134	-
118,763	132,058	129,902	2,156
11,226,323	12,206,324	11,839,654	366,670
641,937	(338,064)	516,950	855,014
-	1,025,001	1,025,001	-
-	-	42,850	42,850
(646,558)	(691,558)	(691,558)	-
(646,558)	333,443	376,293	42,850
(4,621)	(4,621)	893,243	897,864
4,621	4,621	553,342	548,721
\$ -	\$ -	\$ 1,446,585	\$ 1,446,585

Village of Tuckahoe, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
REAL PROPERTY TAXES	<u>\$ 7,785,807</u>	<u>\$ 7,785,807</u>	<u>\$ 7,660,853</u>	<u>\$ (124,954)</u>	<u>\$ 7,556,353</u>
OTHER TAX ITEMS					
Payments in lieu of taxes	14,000	14,000	15,187	1,187	14,860
Interest and penalties on real property taxes	<u>22,700</u>	<u>22,700</u>	<u>19,138</u>	<u>(3,562)</u>	<u>26,265</u>
	<u>36,700</u>	<u>36,700</u>	<u>34,325</u>	<u>(2,375)</u>	<u>41,125</u>
NON-PROPERTY TAXES					
Non-property tax distribution from County	942,477	942,477	957,590	15,113	944,551
Utilities gross receipts taxes	<u>245,612</u>	<u>245,612</u>	<u>269,432</u>	<u>23,820</u>	<u>258,008</u>
	<u>1,188,089</u>	<u>1,188,089</u>	<u>1,227,022</u>	<u>38,933</u>	<u>1,202,559</u>
DEPARTMENTAL INCOME					
Clerk/Treasurer fees	2,000	2,000	1,515	(485)	1,616
Registrar fees	2,000	2,000	2,416	416	2,450
Police fees	15,000	15,000	16,857	1,857	16,309
Safety inspection fees	70,000	70,000	91,021	21,021	96,279
Parking lots and meters	1,360,054	1,360,054	1,366,153	6,099	1,289,020
Community center fees	<u>27,000</u>	<u>27,000</u>	<u>35,321</u>	<u>8,321</u>	<u>28,693</u>
	<u>1,476,054</u>	<u>1,476,054</u>	<u>1,513,283</u>	<u>37,229</u>	<u>1,434,367</u>

INTERGOVERNMENTAL CHARGES

Snow removal services	2,000	2,000	2,060	60	1,962
Recreation services to Town	36,098	36,098	36,098	-	36,098
Sanitation services	101,800	101,800	107,171	5,371	83,346
	<u>139,898</u>	<u>139,898</u>	<u>145,329</u>	<u>5,431</u>	<u>121,406</u>

USE OF MONEY AND PROPERTY

Earnings on investments	26,063	26,063	65,981	39,918	52,629
Rental of real property - Buildings	242,225	242,225	242,697	472	231,649
	<u>268,288</u>	<u>268,288</u>	<u>308,678</u>	<u>40,390</u>	<u>284,278</u>

LICENSES AND PERMITS

Business and occupational licenses	23,860	160,603	182,856	22,253	385,961
Permit fees	525,700	525,700	741,130	215,430	447,007
	<u>549,560</u>	<u>686,303</u>	<u>923,986</u>	<u>237,683</u>	<u>832,968</u>

FINES AND FORFEITURES

Fines and forfeited bail	<u>501,250</u>	<u>546,592</u>	<u>603,356</u>	<u>56,764</u>	<u>469,467</u>
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**SALE OF PROPERTY AND
COMPENSATION FOR LOSS**

Sale of equipment	<u>19,500</u>	<u>19,500</u>	<u>20,362</u>	<u>862</u>	<u>34,013</u>
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STATE AID

Per capita	78,754	78,754	85,675	6,921	85,658
Mortgage tax	129,600	129,600	104,437	(25,163)	132,109
Navigation law enforcement grant	16,000	16,000	21,828	5,828	15,615
Emergency management assistance	-	-	-	-	32,063
Consolidated highway improvement program	71,342	87,436	87,679	243	81,368
	<u>295,696</u>	<u>311,790</u>	<u>299,619</u>	<u>(12,171)</u>	<u>346,813</u>

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Village of Tuckahoe, New York

General Fund

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

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
MISCELLANEOUS					
Dial-a-ride	\$ 4,000	\$ 4,000	\$ 3,243	\$ (757)	\$ 3,740
Refund of prior year's expenditures	-	-	79,222	79,222	11,128
Gifts and donations	16,000	16,000	9,300	(6,700)	8,500
Other	7,000	7,000	3,655	(3,345)	9,887
	<u>27,000</u>	<u>27,000</u>	<u>95,420</u>	<u>68,420</u>	<u>33,255</u>
TOTAL REVENUES	<u>12,287,842</u>	<u>12,486,021</u>	<u>12,832,233</u>	<u>346,212</u>	<u>12,356,604</u>
OTHER FINANCING SOURCES					
Bonds issued	-	-	-	-	1,025,001
Insurance recoveries	-	-	18,636	18,636	42,850
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>18,636</u>	<u>18,636</u>	<u>1,067,851</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 12,287,842</u>	<u>\$ 12,486,021</u>	<u>\$ 12,850,869</u>	<u>\$ 364,848</u>	<u>\$ 13,424,455</u>

Village of Tuckahoe, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative	\$ 21,550	\$ 21,552	\$ 20,442	\$ 1,110	\$ 21,302
Judicial	168,645	166,969	165,249	1,720	144,447
Mayor	7,682	7,682	7,282	400	8,105
Administrator	138,000	139,778	139,208	570	126,028
Treasurer	152,625	121,254	118,782	2,472	133,045
Assessment	6,245	6,255	6,254	1	6,327
Fiscal agent	500	750	750	-	-
Clerk	119,242	111,381	110,717	664	117,167
Law	66,034	66,363	65,328	1,035	64,857
Records management	1,500	-	-	-	45
Engineering	2,000	242,693	242,693	-	2,600
Elections	1,500	5,131	5,131	-	3,962
Village hall	144,500	168,463	166,845	1,618	135,379
Buildings-Department of Public Works	104,700	103,522	102,247	1,275	112,861
Central data processing	98,375	119,041	118,553	488	118,372
Unallocated insurance	225,000	213,300	213,247	53	209,608
Municipal association dues	7,200	7,712	7,712	-	10,326
Legal	59,400	68,681	68,681	-	56,110
Taxes and assessments	102,000	100,900	100,873	27	102,339
Refunds of property taxes	140,000	145,528	145,528	-	844,420
Metropolitan commuter transportation mobility tax	19,372	20,434	20,434	-	19,804
Contingency	155,000	-	-	-	-
	<u>1,741,070</u>	<u>1,837,389</u>	<u>1,825,956</u>	<u>11,433</u>	<u>2,237,104</u>
PUBLIC SAFETY					
Police	3,205,605	3,342,321	3,338,560	3,761	3,288,953
Parking	194,592	197,897	194,652	3,245	181,567
Safety inspection	188,496	184,161	183,611	550	179,167
Civil defense	500	500	185	315	460
	<u>3,589,193</u>	<u>3,724,879</u>	<u>3,717,008</u>	<u>7,871</u>	<u>3,650,147</u>

HEALTH	<u>3,000</u>	<u>3,000</u>	<u>2,631</u>	<u>369</u>	<u>3,751</u>
TRANSPORTATION					
Street maintenance	1,204,148	1,249,379	1,244,979	4,400	1,164,530
Snow removal	100,000	132,890	132,886	4	81,255
Street lighting	<u>9,500</u>	<u>6,200</u>	<u>5,195</u>	<u>1,005</u>	<u>4,567</u>
	<u>1,313,648</u>	<u>1,388,469</u>	<u>1,383,060</u>	<u>5,409</u>	<u>1,250,352</u>
CULTURE AND RECREATION					
Parks and playgrounds	31,350	21,050	20,715	335	15,287
Community Center	68,745	76,359	75,722	637	67,239
Dial-a-ride	12,000	8,200	8,200	-	10,600
Celebrations	3,900	3,900	3,341	559	6,336
Volunteer ambulance corps	7,500	7,500	7,500	-	7,000
Adult recreation	<u>13,598</u>	<u>13,598</u>	<u>13,598</u>	<u>-</u>	<u>13,098</u>
	<u>137,093</u>	<u>130,607</u>	<u>129,076</u>	<u>1,531</u>	<u>119,560</u>
HOME AND COMMUNITY SERVICES					
Board of Appeals	3,600	3,600	3,150	450	2,900
Planning	3,600	2,100	1,750	350	3,300
Sanitary sewers	113,627	163,305	163,102	203	140,134
Refuse and garbage	612,302	604,247	603,312	935	584,239
Water service charges	<u>4,000</u>	<u>4,000</u>	<u>3,891</u>	<u>109</u>	<u>3,890</u>
	<u>737,129</u>	<u>777,252</u>	<u>775,205</u>	<u>2,047</u>	<u>734,463</u>
EMPLOYEE BENEFITS					
State retirement	370,000	336,800	336,734	66	437,194
State retirement - Police	715,000	688,500	688,492	8	735,461
Social security	390,148	395,402	395,402	-	383,468
Workers' compensation benefits	280,000	206,400	206,352	48	61,553
Hospital, medical and dental insurance	1,590,000	1,500,363	1,499,704	659	1,439,271
Life insurance	4,650	4,650	4,432	218	4,366
Unemployment benefits	5,000	-	-	-	17,755
Other employee benefits	<u>40,708</u>	<u>69,012</u>	<u>68,860</u>	<u>152</u>	<u>38,173</u>
	<u>3,395,506</u>	<u>3,201,127</u>	<u>3,199,976</u>	<u>1,151</u>	<u>3,117,241</u>

(Continued)

Village of Tuckahoe, New York

General Fund

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

Year Ended May 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 529,330	\$ 529,331	\$ 529,330	\$ 1	\$ 322,133
Bond anticipation notes	-	-	-	-	275,001
	<u>529,330</u>	<u>529,331</u>	<u>529,330</u>	<u>1</u>	<u>597,134</u>
Interest					
Serial bonds	179,801	179,801	179,797	4	118,764
Bond anticipation notes	-	-	-	-	11,138
	<u>179,801</u>	<u>179,801</u>	<u>179,797</u>	<u>4</u>	<u>129,902</u>
	<u>709,131</u>	<u>709,132</u>	<u>709,127</u>	<u>5</u>	<u>727,036</u>
TOTAL EXPENDITURES	<u>11,625,770</u>	<u>11,771,855</u>	<u>11,742,039</u>	<u>29,816</u>	<u>11,839,654</u>
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	179,000	231,094	231,094	-	224,000
Public Library Fund	483,072	483,072	483,072	-	467,558
TOTAL OTHER FINANCING USES	<u>662,072</u>	<u>714,166</u>	<u>714,166</u>	<u>-</u>	<u>691,558</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 12,287,842</u>	<u>\$ 12,486,021</u>	<u>\$ 12,456,205</u>	<u>\$ 29,816</u>	<u>\$ 12,531,212</u>

See independent auditors' report.

Village of Tuckahoe, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and equivalents	<u>\$ 1,173</u>	<u>\$ 1,172</u>
Receivables		
Due from State and Federal governments	1,022	120,064
Due from other funds	<u>602,793</u>	<u>915,634</u>
	<u>603,815</u>	<u>1,035,698</u>
 Total Assets	 <u><u>\$ 604,988</u></u>	 <u><u>\$ 1,036,870</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,179	\$ 470,980
Retainages payable	-	970
Advances from other funds	<u>40,506</u>	<u>83,753</u>
 Total Liabilities	 43,685	 555,703
 Fund balance		
Restricted	<u>561,303</u>	<u>481,167</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 604,988</u></u>	 <u><u>\$ 1,036,870</u></u>

See independent auditors' report.

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Village of Tuckahoe, New York**Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended May 31,**

	<u>2017</u>	<u>2016</u>
REVENUES		
State aid	\$ 15,609	\$ 58,505
Miscellaneous	<u>167,751</u>	<u>10,614</u>
Total Revenues	183,360	69,119
EXPENDITURES		
Capital outlay	<u>334,318</u>	<u>1,148,210</u>
Deficiency of Revenues Over Expenditures	<u>(150,958)</u>	<u>(1,079,091)</u>
OTHER FINANCING SOURCES		
Bonds issued	-	2,202,196
Transfers in	<u>231,094</u>	<u>224,000</u>
Total Other Financing Sources	<u>231,094</u>	<u>2,426,196</u>
Net Change in Fund Balance	80,136	1,347,105
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>481,167</u>	<u>(865,938)</u>
End of Year	<u>\$ 561,303</u>	<u>\$ 481,167</u>

See independent auditors' report.

Village of Tuckahoe, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through May 31, 2017

PROJECT	Authorization	Expenditures and Transfers to Date
Crestwood Streetscape - Phase III	\$ 1,572,376	\$ 1,612,882
Village Hall Window Filming	36,000	7,234
Dismantling and Removal of Footbridge	79,000	-
Oak Avenue Parking Lot	79,099	43,175
Marbledale/Fisher Rd Intersection	6,815	3,698
Village Hall and Community Center HVAC	35,000	8,892
Main Street Parking Lot	33,623	6,740
Hollywood Avenue Flood Mitigation	75,025	13,503
Catch Basin Reconstruction	13,775	10,295
Village Hall Walkway and Parking Lot Improvement	58,364	6,328
Reed Hydric Sand and Rear Sander	18,000	9,784
DPW Facility Upgrades	91,800	14,695
Improvements to Main Street Park	85,000	76,139
Village Hall Building Upgrades	23,200	1,669
Improvements to Main Street Park	142,750	9,490
Police Vehicles	36,000	-
Totals	<u>\$ 2,385,827</u>	<u>\$ 1,824,524</u>

See independent auditors' report.

Unexpended Balance	Total Revenues	Fund Balance (Deficit) at May 31, 2017
\$ (40,506)	\$ 1,572,376	\$ (40,506)
28,766	36,000	28,766
79,000	79,000	79,000
35,924	79,099	35,924
3,117	6,815	3,117
26,108	35,000	26,108
26,883	33,623	26,883
61,522	75,025	61,522
3,480	13,775	3,480
52,036	58,364	52,036
8,216	18,000	8,216
77,105	91,800	77,105
8,861	85,000	8,861
21,531	23,200	21,531
133,260	142,750	133,260
36,000	36,000	36,000
<u>\$ 561,303</u>	<u>\$ 2,385,827</u>	<u>\$ 561,303</u>

Village of Tuckahoe, New York

Combining Balance Sheet
Non-Major Governmental Funds
May 31, 2017
(With Comparative Totals for 2016)

	Public Library Fund	Special Purpose Fund	Totals	
			2017	2016
ASSETS				
Cash and equivalents	\$ -	\$ 6,411	\$ 6,411	\$ 9,500
Due from other funds	56,013	277,582	333,595	298,320
Total Assets	<u>\$ 56,013</u>	<u>\$ 283,993</u>	<u>\$ 340,006</u>	<u>\$ 307,820</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 8,711	\$ 2,127	\$ 10,838	\$ 6,175
Due to other funds	1,775	123,676	125,451	120,351
Total Liabilities	<u>10,486</u>	<u>125,803</u>	<u>136,289</u>	<u>126,526</u>
Fund balances				
Restricted	-	158,190	158,190	163,380
Assigned	45,527	-	45,527	17,914
Total Fund Balances	<u>45,527</u>	<u>158,190</u>	<u>203,717</u>	<u>181,294</u>
Total Liabilities and Fund Balances	<u>\$ 56,013</u>	<u>\$ 283,993</u>	<u>\$ 340,006</u>	<u>\$ 307,820</u>

See independent auditors' report.

Village of Tuckahoe, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2017
(With Comparative Totals for 2016)

	Public Library Fund	Special Purpose Fund	Totals	
			2017	2016
REVENUES				
Departmental income	\$ 6,193	\$ -	\$ 6,193	\$ 8,041
Use of money and property	-	10	10	11
State aid	1,881	-	1,881	1,804
Miscellaneous	1,075	48,715	49,790	71,750
Total Revenues	9,149	48,725	57,874	81,606
EXPENDITURES				
Current				
Public safety	-	20,974	20,974	28,700
Culture and recreation	362,372	32,941	395,313	403,108
Employee benefits	102,236	-	102,236	102,136
Total Expenditures	464,608	53,915	518,523	533,944
Deficiency of Revenues Over Expenditures	(455,459)	(5,190)	(460,649)	(452,338)
OTHER FINANCING SOURCES				
Transfers in	483,072	-	483,072	467,558
Net Change in Fund Balances	27,613	(5,190)	22,423	15,220
FUND BALANCES				
Beginning of Year	17,914	163,380	181,294	166,074
End of Year	\$ 45,527	\$ 158,190	\$ 203,717	\$ 181,294

See independent auditors' report.

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Village of Tuckahoe, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Due from other funds	<u>\$ 56,013</u>	<u>\$ 25,864</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 8,711	\$ 6,175
Due to other funds	<u>1,775</u>	<u>1,775</u>
Total Liabilities	10,486	7,950
Fund balance		
Assigned	<u>45,527</u>	<u>17,914</u>
Total Liabilities and Fund Balance	<u>\$ 56,013</u>	<u>\$ 25,864</u>

See independent auditors' report.

Village of Tuckahoe, New York

Public Library Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended May 31,

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 12,093	\$ 12,093	\$ 6,193	\$ (5,900)
State aid	1,624	1,624	1,881	257
Miscellaneous	1,200	1,200	1,075	(125)
Total Revenues	14,917	14,917	9,149	(5,768)
EXPENDITURES				
Current				
Culture and recreation	393,753	393,753	362,372	31,381
Employee benefits	104,236	104,236	102,236	2,000
Total Expenditures	497,989	497,989	464,608	33,381
Deficiency of Revenues Over Expenditures	(483,072)	(483,072)	(455,459)	27,613
OTHER FINANCING SOURCES				
Transfers in	483,072	483,072	483,072	-
Net Change in Fund Balance	-	-	27,613	27,613
FUND BALANCE				
Beginning of Year	-	-	17,914	17,914
End of Year	\$ -	\$ -	\$ 45,527	\$ 45,527

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2016			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 13,493	\$ 13,493	\$ 8,041	\$ (5,452)
1,500	1,500	1,804	304
1,500	1,500	1,170	(330)
16,493	16,493	11,015	(5,478)
380,915	380,915	368,047	12,868
103,136	103,136	102,136	1,000
484,051	484,051	470,183	13,868
(467,558)	(467,558)	(459,168)	8,390
467,558	467,558	467,558	-
-	-	8,390	8,390
-	-	9,524	9,524
\$ -	\$ -	\$ 17,914	\$ 17,914

Village of Tuckahoe, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and equivalents	\$ 6,411	\$ 9,500
Due from other funds	<u>277,582</u>	<u>272,456</u>
Total Assets	<u><u>\$ 283,993</u></u>	<u><u>\$ 281,956</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,127	\$ -
Due to other funds	<u>123,676</u>	<u>118,576</u>
Total Liabilities	125,803	118,576
Fund balance		
Restricted	<u>158,190</u>	<u>163,380</u>
Total Liabilities and Fund Balance	<u><u>\$ 283,993</u></u>	<u><u>\$ 281,956</u></u>

See independent auditors' report.

Village of Tuckahoe, New York

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

	2017	2016
REVENUES		
Use of money and property	\$ 10	\$ 11
Miscellaneous	48,715	70,580
Total Revenues	48,725	70,591
EXPENDITURES		
Current		
Public safety	20,974	28,700
Culture and recreation	32,941	35,061
Total Expenditures	53,915	63,761
Excess (Deficiency) of Revenues Over Expenditures	(5,190)	6,830
FUND BALANCE		
Beginning of Year	163,380	156,550
End of Year	\$ 158,190	\$ 163,380

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