

*VILLAGE OF BRIARCLIFF MANOR, NEW YORK*

*FINANCIAL STATEMENTS  
MAY 31, 2018*

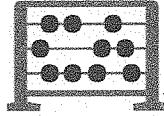
---

**VILLAGE OF BRIARCLIFF MANOR**  
**TABLE OF CONTENTS**  
**MAY 31, 2018**

	<u>PAGE</u>
Independent Auditors' Report	1
Management Discussion and Analysis	4
Village-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	12
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Reconciliation of the Governmental Funds Balance Sheet	
With the Statement of Net Position	16
Statement of Revenues, Expenditures and	
Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues	
Expenditures and Changes in Fund Balances	
Of Governmental Funds to the Statement of Activities	20
Statement of Fiduciary Net Position – Fiduciary Funds	22
Statement of Changes in Plan Net Position – Pension Trust Fund	23
Notes To The Financial Statements	24
Required Supplementary Information:	
Statement of Revenues, Expenditures, And Changes In Fund	
Balance Budget And Actual – General Fund	53
Statement of Revenues, Expenditures, And Changes In Fund	
Balance Budget And Actual – Water Fund	55
Statement of Revenues, Expenditures, And Changes In Fund	
Balance Budget And Actual – Debt Service Fund	56
Schedule of Funding Progress- Other Post-Employment Benefits	57
Schedule of Proportionate Share of the Net Pension Asset/Liability	58
Schedule of Employer's Pension Contributions	59
Supplemental Schedules:	
Combining Balance Sheet – Non Major Governmental Funds	60
Combining Statement of Revenues, Expenditures And Changes	
In Fund Balance – Non Major Governmental Funds	61

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**TABLE OF CONTENTS**  
**MAY 31, 2018**

	<u>PAGE</u>
General Fund:	
Comparative Balance Sheet	62
Schedule of Revenues And Other Financing Sources	
Compared To Budget	63
Schedule of Expenditures And Other Financing Uses	
Compared To Budget	66
Water Fund:	
Comparative Balance Sheet	69
Schedule of Revenues And Other Financing Sources	
Compared To Budget	70
Schedule of Expenditures And Other Financing Uses	
Compared To Budget	72
Debt Service Fund:	
Comparative Balance Sheet	74
Library Fund:	
Comparative Balance Sheet	75
Statement of Revenues, Expenditures And Changes In Fund Balance Budget and Actual	76
Capital Projects Fund:	
Comparative Balance Sheet	77
Comparative Statement of Revenues, Expenditures And Changes In Fund Balance	78
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i> .	79



## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Briarcliff Manor, New York, as of and for the year ended May 31, 2018, which collectively comprise the Village's basic financial statements as listed in the table of contents, and the notes to the financial statements.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

## **Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Briarcliff Manor, New York, as of May 31, 2018, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, on pages 4 through 9 and 53 through 59, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Briarcliff Manor, New York's financial statements as a whole. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The prior year summarized comparative information has been derived from the Village's May 31, 2017 financial statements and, in our report dated November 6, 2017, we expressed an unmodified opinion on those financial statements.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2018, on our consideration of the Village of Briarcliff Manor, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Briarcliff Manor, New York's internal control over financial reporting and compliance.

*Caren Davis Lef*  
Mongaup Valley, New York  
November 2, 2018

## Village of Briarcliff Manor, New York

### Management's Discussion and Analysis (MD&A) May 31, 2018

---

#### Introduction

As management of the Village of Briarcliff Manor, New York ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2018. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

#### Comparative Financial Highlights

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

At the conclusion of **fiscal year 2018**, total assets exceeded total liabilities by \$16,641,946 and the Village's governmental funds reported combined ending fund balances of \$ 4,154,236.

Unassigned fund balance for the General Fund of \$3,042,948 in FY 2017 increased to \$3,140,328 at the close of FY 2018. This amount represents 18.37% of total General Fund expenditures and other financing uses; an increase from 15.91% in 2017. The net change in total Fund Balance for the General Fund decreased by \$72,472.

#### Overview of the Financial Statements

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

#### Government-Wide Financial Statements

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

*The statement of net position* presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

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

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

## Fund Financial Statements

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

### ***Governmental Funds***

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

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

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

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

### ***Fiduciary Funds***

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

### **Notes to the Financial Statements**

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

### **Other Information**

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

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Village, assets exceeded liabilities by \$16,641,946 at the close of the most recent fiscal year. A portion of the Village's net position is its investment in capital assets (land, buildings and improvements, machinery and equipment and infrastructure and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Village's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

	May 31,	
	2018	2017
Current Assets	\$ 8,826,002	\$ 13,466,721
Mitigation Receivable:		
Due Within One Year	583,192	583,192
Due Beyond One Year	6,415,107	6,998,298
Capital Assets, net	<u>57,342,153</u>	<u>55,651,604</u>
 Total Assets	 <u>73,166,454</u>	 <u>76,699,815</u>
 Deferred Outflows of Resources	 <u>3,047,587</u>	 <u>2,712,440</u>
 Current Liabilities	 4,858,403	 3,762,244
Long-Term Liabilities	<u>51,830,014</u>	<u>54,057,553</u>
 Total Liabilities	 <u>56,688,417</u>	 <u>57,819,797</u>
 Deferred Outflows of Resources	 <u>2,883,678</u>	 <u>519,704</u>
 Net Position		
Net Investment in Capital Assets	17,680,412	17,705,577
Restricted	-	-
Unrestricted	<u>(1,038,466)</u>	<u>3,367,177</u>
 Total Net Position	 <u>\$ 16,641,946</u>	 <u>- 21,072,754</u>

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

### Changes in Net Position

	May 31,	
	2018	2017
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 7,086,636	\$ 8,979,610
Operating Grants and Contributions	49,681	339,266
Capital Grants and Contributions	898,856	2,500,000
General Revenues		
Real Property Taxes	10,842,186	10,737,624
Other Tax Items	41,783	42,937
Non-Property Taxes	1,611,351	1,511,988
Unrestricted Use of Money and Property	34,778	20,505
Sale of Property and Compensation for Loss	108,741	2,347,109
Unrestricted State Aid	281,019	361,851
Miscellaneous	<u>148,148</u>	<u>203,924</u>
Total Revenues	<u>21,103,179</u>	<u>27,044,814</u>
<b>PROGRAM EXPENSES</b>		
General Government Support	3,756,604	3,515,704
Public Safety	6,909,341	6,180,477
Health	261,312	369,029
Transportation	2,416,539	2,210,159
Culture and Recreation	3,041,899	2,455,733
Home and Community Services	7,029,292	6,668,391
Interest	1,059,714	1,571,024
Special Items: Pavilion Reconstruction	<u>219,422</u>	<u>2,002,892</u>
Total Expenses	<u>24,694,123</u>	<u>24,973,409</u>
Change in Net Position	(3,590,944)	2,071,405
Net Position - Beginning of Year	21,072,754	10,052,048
Prior Period Adjustment	(497,527)	8,949,301
Cumulative Effect of Change in Accounting Principle	<u>(342,337)</u>	<u>-</u>
Net Position - Ending	<u>\$ 16,641,946</u>	<u>\$ 21,072,754</u>

### Governmental Activities

For the fiscal year ended May 31, 2018, revenues from governmental activities totaled \$21,103,179. Tax revenues comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (59.21% or \$12,495,320). The largest components of governmental expenses are home & community services (\$7,029,292), public safety (\$6,909,341), and general government support (\$3,756,604).

## Financial Analysis of the Village's Funds

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

### ***Fund Balance Reporting***

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

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

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

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

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

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

### ***Governmental Funds***

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Village's governmental funds reported combined ending *fund balances* of \$4,154,236.

Of the Assigned fund balance, \$181,381 has been designated to support the subsequent year's General Fund budget. There are also Non-spendable and Restricted portions of fund balance within each fund that are not available for new spending, having already been committed for prepaid expenditures, capital projects, future capital projects, debt service, and special purposes.

The General Fund is the primary operating fund of the Village. At the end of FY 2017, the Unassigned fund balance of the General Fund was \$3,042,948. At the end of the current fiscal year, the Unassigned fund balance was \$3,140,328, representing 90.82% of the total General Fund fund balance of \$3,457,929.

## General Fund Budgetary Highlights

The net change in total general fund balance was \$72,472. Actual revenues, some of which exceeded projections are as follows: State Aid \$57,317 and Fines and Forfeitures \$61,732. Actual expenditures and other financing uses were \$562,476 less than the revised budget.

## Capital Assets and Debt Administration

### *Capital Assets*

The Village's investment in capital assets for governmental activities at May 31, 2018, net of accumulated depreciation was \$57,342,153. Depreciation expense for the year ended May 31, 2018 was \$3,459,391. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

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

### Capital Assets May 31,

	2018	2017
Asset:		
Land	\$ 855,947	\$ 855,947
Buildings and improvements	24,792,790	21,271,179
Infrastructure	47,524,642	47,524,642
Machinery and equipment	14,122,818	13,184,210
Construction-in-Progress	10,186,923	9,497,202
Less - accumulated depreciation	<u>(40,140,967)</u>	<u>(36,681,576)</u>
Total (Net of Depreciation)	<u>\$ 57,342,153</u>	<u>\$ 55,651,604</u>

### *Debt*

As of May 31, 2018, the Village had \$36,860,000 in outstanding bonds, \$113,870 in unamortized bond premiums, \$2,549,396 in outstanding bond anticipation notes and \$138,475 in outstanding installment purchase debt. The Village paid \$1,081,659 in interest throughout the year.

## Requests for Information

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

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

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 6,655,688	\$ 10,100,708
Taxes Receivable	58,918	85,793
Billings Receivable	1,037,087	1,139,632
Accounts Receivable	111,518	1,102,123
Due From State and Federal	430,000	-
Due From Other Governments	366,388	824,729
Due From Other Funds	-	72,100
Prepaid Expenses	<u>166,403</u>	<u>141,636</u>
 Total Current Assets	 <u>8,826,002</u>	 <u>13,466,721</u>
Non-Current Assets		
Mitigation Receivable:		
Due Within One Year	583,192	583,192
Due Beyond One Year	6,415,107	6,998,298
Capital Assets, Net	<u>57,342,153</u>	<u>55,651,604</u>
 Total Non-Current Assets	 <u>64,340,452</u>	 <u>63,233,094</u>
 <b>TOTAL ASSETS</b>	 <u>73,166,454</u>	 <u>76,699,815</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pensions	3,047,587	2,370,103
Deferred Charge on Refunding, net	<u>-</u>	<u>342,337</u>
 <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	 <u>3,047,587</u>	 <u>2,712,440</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

(Continued)

	<u>2018</u>	<u>2017</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 1,067,976	\$ 746,089
Accrued Liabilities	298,868	486,135
BAN Payable	2,549,396	1,728,296
Due To Other Governments	248,840	192,768
Due To Other Funds	3,892	1,003
Due To ERS	216,689	216,689
Unearned Revenues	<u>472,742</u>	<u>391,264</u>
 Total Current Liabilities	 <u>4,858,403</u>	 <u>3,762,244</u>
 Non-Current Liabilities:		
Due Within One Year		
Bonds Payable	2,830,000	2,810,000
Unamortized Bond Premium	17,178	17,178
Installment Purchase Debt	38,509	27,785
Judgments And Claims	40,000	40,000
Net OPEB Obligation	725,000	725,000
Due Beyond One Year		
Bonds Payable	34,030,000	36,860,000
Unamortized Bond Premium	96,692	113,870
Installment Purchase Debt	99,966	2,812
Compensated Absences	849,873	482,898
Judgments And Claims	760,000	800,000
Net OPEB Obligation	11,215,000	9,375,000
Net Pension Liability	<u>1,127,796</u>	<u>2,803,010</u>
 Total Non-Current Liabilities	 <u>51,830,014</u>	 <u>54,057,553</u>
 <b>TOTAL LIABILITIES</b>	 <b><u>56,688,417</u></b>	 <b><u>57,819,797</u></b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Pensions	<u>2,883,678</u>	<u>519,704</u>
 <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	 <b><u>2,883,678</u></b>	 <b><u>519,704</u></b>
 <b>NET POSITION</b>		
Net Investment In Capital Assets	17,680,412	17,705,577
Unrestricted	<u>(1,038,466)</u>	<u>3,367,177</u>
 <b>TOTAL NET POSITION</b>	 <b><u>\$ 16,641,946</u></b>	 <b><u>\$ 21,072,754</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2017)

			PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
			CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	2018 TOTAL	2017 TOTAL	2017 TOTAL
GOVERNMENTAL ACTIVITIES:								
General Government Support	\$ 3,756,604	\$ 441,800	\$ 5,348	\$ -	\$ (3,314,804)	\$ (3,082,883)		
Public Safety	6,909,341	685,988	-	-	(6,218,005)	(4,397,472)		
Health	261,312	3,866	-	-	(257,446)	(365,207)		
Transportation	2,416,539	457,119	-	898,856	(1,060,564)	(1,557,586)		
Culture And Recreation	3,041,899	714,095	44,333	-	(2,283,471)	(1,628,942)		
Home And Community Services	7,029,292	4,783,768	-	-	(2,245,524)	(1,451,473)		
Debt Service	1,059,714	-	-	-	(1,059,714)	(1,571,024)		
TOTAL GOVERNMENTAL ACTIVITIES	<u>24,474,701</u>	<u>7,086,636</u>	<u>49,681</u>	<u>898,856</u>	<u>(16,439,528)</u>	<u>(11,151,641)</u>		
GENERAL REVENUES								
Real Property Taxes					10,842,186	10,737,624		
Other Tax Items					41,783	42,937		
Non-Property Tax Items					1,611,351	1,511,988		
Investment Earnings					34,778	20,505		
Sale Of Property And Compensation For Loss					108,741	168,810		
Insurance Recoveries					-	2,178,299		
Miscellaneous Local Sources					148,148	203,924		
State Aid					<u>281,019</u>	<u>361,851</u>		
TOTAL GENERAL REVENUES					<u>\$ 13,068,006</u>	<u>\$ 15,225,938</u>		

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2017)

(CONTINUED)

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	2018 TOTAL	2017 TOTAL
SPECIAL ITEMS Pavilion Reconstruction					\$ (219,422)	\$ (2,002,892)
TOTAL SPECIAL ITEMS					(219,422)	(2,002,892)
TOTAL GENERAL REVENUES AND SPECIAL ITEMS					12,848,584	13,222,046
CHANGES IN NET POSITION					(3,590,944)	2,071,405
TOTAL NET POSITION – Beginning of Year (Restated)					20,232,890	19,001,349
TOTAL NET POSITION – End of Year					<u>\$ 16,641,946</u>	<u>\$ 21,072,754</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR MAY 31, 2017)

	<u>GENERAL FUND</u>	<u>WATER FUND</u>	<u>DEBT SERVICE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>NON-MAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>	<u>2017 TOTAL</u>
<b>ASSETS</b>							
Cash	\$ 2,683,885	\$ 1,910,027	\$ 875,693	\$ 1,140,104	\$ 45,979	\$ 6,655,688	\$ 10,100,708
Taxes Receivable	58,918	1,037,087	-	-	-	58,918	85,793
Billings Receivable	111,518	-	-	-	-	1,037,087	1,139,632
Accounts Receivable	1,540,315	433,033	1,457,985	599,068	116,613	111,518	1,102,123
Due From Other Funds	-	-	-	430,000	-	4,147,014	1,168,030
Due From State and Federal	366,388	-	-	-	-	430,000	-
Due From Other Governments	136,220	21,800	-	-	8,383	366,388	824,729
Prepaid Expenditures						166,403	141,636
<b>TOTAL ASSETS</b>	<b>\$ 4,897,244</b>	<b>\$ 3,401,947</b>	<b>\$ 2,333,678</b>	<b>\$ 2,169,172</b>	<b>\$ 170,975</b>	<b>\$ 12,973,016</b>	<b>\$ 14,562,651</b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR MAY 31, 2017)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2017 TOTAL
LIABILITIES								
Accounts Payable	\$ 260,123	\$ 95,219	\$ -	\$ 699,815	\$ 12,819	\$ 1,067,976	\$ 746,089	\$ 246,823
Accrued Liabilities	59,047	3,758	-	-	1,518	64,323	64,323	64,323
Board Anticipation Notes	-	-	-	2,549,396	-	2,549,396	1,728,296	1,728,296
Due To Other Funds	340,981	744,185	1,607,755	1,457,985	-	4,150,906	1,096,933	1,096,933
Due To Other Governments	75,825	173,015	-	-	-	248,840	192,768	192,768
Due To ERS	182,689	26,500	-	-	-	216,689	216,689	216,689
Unearned Revenues	472,742	-	-	-	-	472,742	391,264	391,264
<b>TOTAL LIABILITIES</b>	<b>1,391,407</b>	<b>1,042,677</b>	<b>1,607,755</b>	<b>4,707,196</b>	<b>21,837</b>	<b>8,770,872</b>	<b>4,618,862</b>	<b>4,618,862</b>
DEFERRED INFLOWS OF RESOURCES								
Deferred Taxes Receivable	47,908	-	-	-	-	-	47,908	47,908
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>47,908</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,908</b>	<b>47,908</b>
FUND BALANCE								
Non-Spendable:								
Prepaid Items	136,220	21,800	-	-	8,383	166,403	141,636	141,636
Restricted:								
Encumbrances	-	64,371	-	-	3,030	67,401	29,973	29,973
Assigned:								
Encumbrances	181,381	-	-	-	-	181,381	366,135	366,135
Appropriated	-	1,750,000	1,019,376	-	28,107	2,797,483	50,000	50,000
Unappropriated	-	523,099	(293,453)	-	109,618	339,264	6,265,189	6,265,189
Unassigned	3,140,328	-	-	(2,538,024)	-	602,304	3,042,948	3,042,948
<b>TOTAL FUND BALANCE</b>	<b>3,457,929</b>	<b>2,359,270</b>	<b>725,923</b>	<b>(2,538,024)</b>	<b>149,138</b>	<b>4,154,236</b>	<b>9,895,881</b>	<b>9,895,881</b>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 4,897,244	\$ 3,401,947	\$ 2,333,678	\$ 2,169,172	\$ 170,975	\$ 12,973,016	\$ 12,973,016	\$ 14,562,651

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
 SHEET WITH THE STATEMENT OF NET POSITION  
 MAY 31, 2018  
 (WITH COMPARATIVE NET FIGURES FOR MAY 31, 2017)

	<u>2018</u>	<u>2017</u>
Total Fund Balance – Governmental Funds	\$ 4,154,236	\$ 9,895,881
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of capital assets and accumulated depreciation at May 31, 2018 are \$97,483,120 and \$40,140,967 respectively.	57,342,153	55,651,604
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds Payable	(36,860,000)	
Unamortized Bond Premium	(113,870)	
Installment Purchase Debt	(138,475)	
Compensated Absences	(849,873)	
Judgments and Claims	(800,000)	
Net OPEB Obligation	<u>(11,940,000)</u>	(50,702,218) (51,254,543)
Proportionate share of long-term asset and liability associated with participation in State Retirement Systems are not current financial resources or obligations and are not reported in the governmental funds.		
Deferred Outflows of Resources	3,047,587	
Deferred Inflows of Resources	(2,883,678)	
Net Pension Liability	<u>(1,127,796)</u>	(963,887) (952,611)
In the governmental funds, taxes receivable are offset by a deferred revenue representing the taxes that will not be collected in the first sixty days of the subsequent year. In the statement of net position, the receivable is fully recognized regardless of when the money will be received.	47,908	47,908

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
 SHEET WITH THE STATEMENT OF NET POSITION  
 MAY 31, 2018  
 (WITH COMPARATIVE NET FIGURES FOR MAY 31, 2017)

(Continued)

	<u>2018</u>	<u>2017</u>
In the governmental funds, interest expense is not reported until due. In the statement of net position, accrued interest on debt is reported, regardless of when due.	\$ (234,545)	\$ (239,312)
Refunding bond issuance costs are reported in the governmental funds as expenditures when paid. In the statement of net position, the costs in excess of refunded debt are capitalized and amortized over the life of the bonds. Deferred refunding bond costs and accumulated amortization at May 31, 2018 are \$0 and \$0, respectively. (See Note 15)	342,337	
Long term receivables are not due in the current period and therefore, are not reported in the governmental funds.		
Mitigation Receivable	<u>6,998,299</u>	<u>7,581,490</u>
Net Position of Governmental Activities	<u>\$ 16,641,946</u>	<u>\$ 21,072,754</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2017)

	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2017 TOTAL
REVENUES							
Real Property Taxes	\$ 10,842,186	\$ -	\$ -	\$ -	\$ -	\$ 10,842,186	\$ 10,720,703
Other Tax Items	41,783	-	-	-	-	41,783	42,937
Non-Property Tax Items	1,611,351	-	-	-	-	1,611,351	1,511,988
Departmental Income	1,177,349	4,750,705	-	-	-	5,937,427	6,638,474
Intergovernmental Charges	228,129	-	-	-	-	228,129	415,318
Use Of Money And Property	253,325	5,571	-	-	-	-	260,315
Licenses And Permits	492,400	-	-	-	-	-	1,542,457
Fines And Forfeitures	181,732	-	-	-	-	-	143,532
Sale Of Property And Compensation	103,691	5,050	-	-	-	-	108,741
For Loss	131,462	11,999	583,191	177,484	44,507	948,643	3,381,559
Miscellaneous Local Sources	560,143	-	-	-	2,283	562,426	606,674
State Aid	5,348	-	-	444,478	-	449,826	-
Federal Aid	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>15,628,899</b>	<b>4,773,325</b>	<b>583,191</b>	<b>642,315</b>	<b>58,640</b>	<b>21,686,370</b>	<b>25,432,787</b>
EXPENDITURES							
General Government Support	2,832,215	327,016	-	-	20,828	3,180,059	2,936,712
Public Safety	5,481,383	-	-	-	-	5,481,383	5,288,850
Health	215,334	-	-	-	-	215,334	179,306
Transportation	2,021,793	-	-	-	-	2,021,793	1,884,567
Culture And Recreation	1,758,230	-	-	-	-	2,309,982	2,200,073
Home And Community Service	1,605,796	3,009,488	-	-	-	4,615,284	4,485,599
Debt Service:	-	-	-	-	-	-	-
Principal	51,756	-	2,810,000	-	-	2,861,756	3,633,749
Interest	10,983	-	1,070,676	-	-	1,081,659	1,147,635
Capital Outlay	-	-	-	5,462,970	-	5,462,970	4,736,235
<b>TOTAL EXPENDITURES</b>	<b>13,977,490</b>	<b>3,336,504</b>	<b>3,880,676</b>	<b>5,462,970</b>	<b>572,580</b>	<b>27,230,220</b>	<b>26,492,726</b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MAY 31, 2017)

(CONTINUED)

	GENERAL FUND	WATER FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS	2017 TOTAL
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,651,409</u>	<u>\$ 1,436,821</u>	<u>\$ (3,297,485)</u>	<u>\$ (4,820,655)</u>	<u>\$ (512,940)</u>	<u>\$ (15,543,850)</u>	<u>\$ (1,059,939)</u>
OTHER FINANCING SOURCES (USES)							
Operating Transfers In	1,531,222	433,033	3,880,676	579,716	641,433	7,066,080	7,296,263
Operating Transfers Out	(2,897,674)	(2,452,651)	(1,607,755)	-	(108,000)	(7,066,080)	(7,296,264)
Insurance Recoveries	-	-	-	-	-	159,634	2,178,299
Proceeds Of Installment Debt	-	-	-	-	-	-	-
BAN's Redeemed From Appropriation	-	-	-	-	-	-	816,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,366,452)</u>	<u>(2,019,618)</u>	<u>2,272,921</u>	<u>739,350</u>	<u>533,433</u>	<u>159,634</u>	<u>2,994,298</u>
SPECIAL ITEMS							
Pavilion Reconstruction	<u>(219,422)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(219,422)</u>	<u>(2,002,892)</u>
TOTAL SPECIAL ITEMS	<u>(219,422)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(219,422)</u>	<u>(2,002,892)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES, OTHER USES AND SPECIAL ITEMS	65,535	(582,797)	(1,024,564)	(4,081,305)	19,493	(5,603,638)	(68,533)
FUND BALANCE - Beginning Of Year (Restated)	<u>3,392,394</u>	<u>2,942,067</u>	<u>1,750,487</u>	<u>1,543,281</u>	<u>129,645</u>	<u>9,757,874</u>	<u>9,964,414</u>
FUND BALANCE - End Of Year	<u>\$ 3,457,929</u>	<u>\$ 2,359,270</u>	<u>\$ 725,923</u>	<u>\$ (2,538,024)</u>	<u>\$ 149,138</u>	<u>\$ 4,154,236</u>	<u>\$ 9,892,881</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED MAY 31, 2018**  
**(WITH COMPARATIVE NET FIGURES FOR THE YEAR ENDED MAY 31, 2017)**

	<u>2018</u>	<u>2017</u>
Total Net Change in Fund Balances – Governmental Funds	\$ (5,603,638)	\$ (68,533)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.		
Depreciation Expenses	(3,459,391)	
Capital Outlay	<u>5,149,940</u>	1,690,549
Repayments of principal on long term debt are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and is not reported in the statement of activities.		
Serial Bonds	2,810,000	
Installment Purchase Debt	<u>51,756</u>	2,861,756
(Increases) decreases in proportionate share of net pension asset/liability reported in the statement of activities do not provide for, or require the use of, current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds.		
Employees' Retirement System	32,536	
Police And Fire Retirement System	<u>(43,812)</u>	(11,276)
In the statement of activities, long-term liabilities are reported when the liability is incurred regardless of when the payments are due. In the governmental funds, expenditures for these items are reported by the amount of financial resources used (paid).		
Judgments And Claims	40,000	
Compensated Absences	(7,455)	
Net OPEB Obligation	<u>(1,840,000)</u>	(1,807,455)
In the governmental funds, taxes receivable are only recognized as an asset in the amount that will be received in the first sixty days of the subsequent year. In the statement of activities, the full amount is recognized as an asset. Therefore, current year tax revenues are adjusted for amounts that were accrued and recognized in past years.		(1,381,598)
		16,921

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE NET FIGURES FOR THE YEAR ENDED MAY 31, 2017)

(Continued)

	<u>2018</u>	<u>2017</u>
Gross proceeds from the sale of fixed assets are reported as revenue in the governmental funds. In the statement of activities the proceeds are reduced by the net book value of the disposed assets.	\$ -	\$ (34,940)
Proceeds of long term debt are reported as revenue in the governmental funds. In the statement of net position, the proceeds increase the liability and no revenue is reported in the statement of activities.	-	-
Installment Purchase Debt	(159,634)	-
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.	-	-
Current Year Accrued Interest	(234,545)	-
Prior Year Accrued Interest	<u>239,312</u>	4,767
Bond premiums are reported in the governmental funds as revenues in the year received. However, in the statement of activities, the premium is added to the outstanding debt and amortized as a reduction of interest expense over the life of the bond.	849	-
Amortization Expense	17,178	17,178
Refunding bond issuance costs are reported in the governmental funds as expenditures in the year the bonds are refunded. However, on the statement of activities, the costs in excess of the refunded debt are capitalized and amortized over the life of the bonds. (See Note 15)	-	-
Amortization Expense	-	(51,416)
Annual payments on long term notes receivable are revenues in the governmental funds, but the payments reduce the receivable in the statement of net position.	<u>(583,191)</u>	<u>(583,192)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (3,590,944)</u></u>	<u><u>\$ 2,071,405</u></u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 MAY 31, 2018

	AGENCY <u>FUND</u>	PENSION <u>TRUST</u>
<b>ASSETS</b>		
Cash And Cash Equivalents	\$ 124,416	\$ -
Service Award Program Assets	-	1,314,248
Accounts Receivable	16,288	33,999
Due From Other Funds	<u>3,892</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 144,596</u></b>	<b><u>1,348,247</u></b>
<b>LIABILITIES</b>		
Agency Liabilities	\$ 144,596	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 144,596</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>		
Held In Trust For Pension Benefits		<u>1,348,247</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 1,348,247</u></b>	

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR  
 STATEMENT OF CHANGES IN PLAN NET POSITION  
 PENSION TRUST FUND  
 MAY 31, 2018

REVENUES	
Investment Earnings	\$ 26,467
Pension Contributions	33,999
Unrealized Gain On Investments	<u>94,735</u>
 TOTAL REVENUES	 <u>155,201</u>
EXPENSES	
Pension Benefits	128,196
Expenses And Fees	<u>7,835</u>
 TOTAL EXPENSES	 <u>136,031</u>
Change In Plan Net Position	19,170
Beginning Net Position	<u>1,329,077</u>
Ending Net Position	<u><u>\$ 1,348,247</u></u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Briarcliff Manor, New York, was incorporated in December 1902 and operates in accordance with Village Law and other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents; public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and general administrative support.

The fund financial statements of the Village of Briarcliff Manor, New York, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Village's more significant policies:

**A. Financial Reporting Entity**

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**B. Basis Of Presentation**

1. Village-wide statements:

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

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

2. Fund financial statements:

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

The Village reports the following major Governmental Funds:

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

The Village reports the following non-major Governmental Funds:

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

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

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

Additionally, the Village reports the following fund type:

a. Fiduciary Fund

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Trust Fund

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

Agency Fund

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

**C. Basis of Accounting/Measurement Focus**

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

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

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

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**D. Budgetary Data**

1. Budget Policies

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

On or before March 20<sup>th</sup>, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1<sup>st</sup>. The tentative budget includes proposed expenditures and the means of financing them.

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

2. Encumbrances

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

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Budget Basis of Accounting**

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

**E. Property Taxes**

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

**F. Post Employment Benefits**

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

**G. Real Property Tax**

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

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

**H. Compensated Absences**

Pursuant to its collective bargaining agreements, the Village accrues accumulated unpaid sick and vacation leave. The Village has recorded its liability of \$849,873 in the statement of net position for such compensated absences at May 31, 2018.

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Insurance**

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

**J. Cash and Cash Equivalents**

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

**K. Accounts Receivable**

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

**L. Capital Assets**

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

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

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

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**M. Interfund Activity**

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

**N. Equity Classifications**

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

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

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

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

Order of Use of Net Position:

When an expense is incurred for which both restricted and unrestricted resources are available, the Board will assess the current financial condition of the Village and determine which classification of net position will be charged.

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

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Village had non-spendable fund balances related to prepaid expenditures totaling \$166,403 in the General, Library and Water Funds as of May 31, 2018.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted – includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The Village had restricted fund balances related to encumbrances in the Water Fund and Library Fund of \$64,371 and \$3,030, respectively, as of May 31, 2018.

Committed – includes amounts that can only be used for a specific purpose pursuant to constraints imposed by formal action of the Village's highest level of decision making authority before the end of the fiscal year, and requires the same level of formal action to remove the constraint. The Board of Trustees is the decision making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The Village had no committed fund balances as of May 31, 2018.

Assigned – includes amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision making authority, or by their designated official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance generally includes encumbrances in the General Fund and appropriated fund balance. The Board of Trustees is the decision making authority that can, by resolution, assign fund balance. The Village had an assigned fund balance of \$181,381 related to encumbrances in the General Fund as of May 31, 2018.

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

Order of Use of Fund Balance:

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**O. Use Of Estimates**

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

Actual results could differ from these estimates.

**P. Operating Revenues of Proprietary Funds**

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

**Q. New Accounting Standards**

The Village has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At May 31, 2018, the Village implemented the following new standards:

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

*GASB 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pensions.*

*GASB 80 – Blending Requirements for Certain Component Units – an Amendment of GASB 14.*

*GASB 81 – Irrevocable Split-Interest Agreements.*

*GASB 82 – Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73.*

*GASB 86 – Certain Debt Extinguishment Issues*

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**R. Future Accounting Standards**

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

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

GASB 83 – *Certain Asset Retirement Obligations*, effective for the year ending May 31, 2019.

GASB 84 – *Fiduciary Activities*, effective for the year ending May 31, 2020.

GASB 85 – *Omnibus 2017*, effective for the year ending May 31, 2019.

GASB 87 – *Leases*, effective for the year ending May 31, 2021.

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

**S. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. The first item is related to pensions reported in the Village-wide statement of net position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the Village contributions to the pension systems subsequent to the measurement date. The Village reports \$3,047,587 in deferred outflows of resources related to pensions as of May 31, 2018.

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

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The second item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension liability and difference during the measurement periods between the Village's contributions and its proportion share of total contributions to the pension system not included in pension expense. The Village reports \$2,883,678 in deferred inflows of resources related to pensions as of May 31, 2018.

The reporting of deferred outflows and inflows of resources related to pensions resulted in a net increase of \$163,909 to unrestricted net position as of May 31, 2018.

**T. Reclassifications**

Certain items at May 31, 2017 have been reclassified to conform to the presentation at May 31, 2018. The reclassifications have no effect on the changes in fund balance or net position for the year ended May 31, 2017.

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

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

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

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

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

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

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

1. Long-term revenue and expenditure differences:

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

2. Capital related differences:

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

3. Long-term debt transaction differences:

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

NOTE 3 - CASH AND INVESTMENTS

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

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

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

NOTE 3 - CASH AND INVESTMENTS (Continued)

Collateralized with securities held by the pledging financial institution, or its trust department, but not in the Village's name. \$ 6,030,719

NOTE 4 – CAPITAL ASSETS

Capital asset balances and activity for the year ended May 31, 2018 were as follows:

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>RETIREMENTS/ RECLASSIFICATIONS</u>	<u>ENDING BALANCE</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Capital assets that are not depreciated:				
Land	\$ 855,947	\$ -	\$ -	\$ 855,947
Construction In Progress	<u>9,497,202</u>	<u>4,487,804</u>	<u>3,798,083</u>	<u>10,186,923</u>
Total non-depreciable historical cost	<u>10,353,149</u>	<u>4,487,804</u>	<u>3,798,083</u>	<u>11,042,870</u>
Capital assets that are depreciated:				
Building and Improvements	21,271,179	3,521,611	-	24,792,790
Infrastructure	47,524,642	-	-	47,524,642
Machinery and Equipment	<u>13,184,210</u>	<u>938,608</u>	<u>-</u>	<u>14,122,818</u>
Total depreciable historical cost	<u>81,980,031</u>	<u>4,460,219</u>	<u>-</u>	<u>86,440,250</u>
Less accumulated depreciation:				
Building and Improvements	10,658,530	1,584,027	-	12,242,557
Infrastructure	16,073,667	1,008,058	-	17,081,725
Machinery and Equipment	<u>9,949,379</u>	<u>867,306</u>	<u>-</u>	<u>10,816,685</u>
Total Accumulated Depreciation	<u>36,681,576</u>	<u>3,459,391</u>	<u>-</u>	<u>40,140,967</u>
Total historical cost, net	<u>\$ 55,651,604</u>	<u>\$ 5,488,632</u>	<u>\$ 3,798,083</u>	<u>\$ 57,342,153</u>
Depreciation Expense was charged to governmental functions as follows:				
General Government Support	\$ 282,790			
Public Safety	321,043			
Health	25,772			
Transportation	422,706			
Culture and Recreation	612,096			
Home and Community Services	<u>1,794,984</u>			
<b>TOTAL</b>	<b><u>\$ 3,459,391</u></b>			

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

NOTE 5 – INTERFUND TRANSACTIONS

Interfund balances at May 31, 2018 are as follows:

	INTERFUND RECEIVABLE	INTERFUND PAYABLE	INTERFUND REVENUES	INTERFUND EXPENDITURES
General Fund	\$ 1,540,315	\$ 340,981	\$ 1,531,222	\$ 2,897,674
Water Fund	433,033	744,185	433,033	2,452,651
Debt Service Fund	1,457,985	1,607,755	3,880,676	1,607,755
Capital Fund	599,068	1,457,985	579,716	-
Library Fund	116,613	-	641,433	-
Miscellaneous Special Revenue Fund	-	-	-	108,000
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>4,147,014</b>	<b>4,150,906</b>	<b>7,066,080</b>	<b>7,066,080</b>
Agency Fund	3,892	-	-	-
<b>TOTAL FIDUCIARY FUNDS</b>	<b>3,892</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTALS</b>	<b>\$ 4,150,906</b>	<b>\$ 4,150,906</b>	<b>\$ 7,066,080</b>	<b>\$ 7,066,080</b>

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

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

NOTE 6 - LIABILITIES

1. Pension Plans

a. Plan Description

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 6 – LIABILITIES (Continued)

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

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

b. Funding Policy

Plan members who joined the Systems before July 27, 1976 are not required to make contributions. For those joining after July 27, 1976 and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the Systems more than ten years are no longer required to contribute. Employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS), contribute 3% of their salary throughout their active membership. Employees who joined the Systems on or after April 1, 2012 contribute 3% of their salary through March 31, 2013, and beginning April 1, 2013, contribute at rates ranging from 3% to 6%, based on the employees' gross salary. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressed used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	<u>ERS</u>	<u>PFRS</u>
2018	\$ 660,556	\$ 607,279
2017	678,595	637,810
2016	898,664	543,404

2. Long-Term Debt

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

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

NOTE 6 – LIABILITIES (Continued)

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

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

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

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

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

c. The changes in the Village's long-term indebtedness during the year ended May 31, 2018 are summarized as follows:

	BALANCE JUNE 1, 2017	ADDITIONS	REDUCTIONS	BALANCE MAY 31, 2018	DUE WITHIN ONE YEAR
Bonds Payable	\$ 39,670,000	\$ -	\$ 2,810,000	\$ 36,860,000	\$ 2,830,000
Unamortized Bond Premium	131,048	-	17,178	113,870	17,178
Installment Purchase Debt	30,597	159,634	51,756	138,475	38,509
Compensated Absences	842,418	7,455	-	849,873	-
Judgments And Claims	840,000	-	40,000	800,000	40,000
Net OPEB Obligation	<u>10,100,000</u>	<u>2,540,000</u>	<u>700,000</u>	<u>11,940,000</u>	<u>725,000</u>
<b>TOTAL</b>	<b><u>\$ 51,614,063</u></b>	<b><u>\$ 2,707,089</u></b>	<b><u>\$ 3,618,934</u></b>	<b><u>\$ 50,702,218</u></b>	<b><u>\$ 3,650,687</u></b>

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

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 6 – LIABILITIES (Continued)**

d. Long-term debt at May 31, 2018 is comprised of the following individual issues:

<u>PURPOSE</u>	<u>ISSUED</u>	<u>FINAL MATURITY</u>	<u>RATE</u>	<u>OUTSTANDING</u>
Public Improvements	2008	2029	3.00-5.00%	\$ 4,875,000
Refunding Bonds	2010	2020	4.00-5.00%	720,000
Public Improvements	2012	2031	2.00-4.00%	4,685,000
EFC Water	2013	2032	0.304-3.044%	7,510,000
Public Improvements	2014	2034	1.25-4.00%	5,290,000
Public Improvements	2014	2034	2.50-3.25%	7,200,000
Refunding Bonds	2015	2027	2.00-2.25%	<u>6,580,000</u>
<b>Total Bonds</b>				<u>36,860,000</u>
Police Vehicle	2017	2020	5.95%	29,661
Police Vehicle	2016	2019	6.50%	2,812
DPW Tractor	2017	2022	4.50%	<u>106,002</u>
<b>Total Installment Debt</b>				<u>138,475</u>
<b>Total Long Term Debt</b>				<u>\$ 36,998,475</u>

e. The annual requirements to amortize all long term debt outstanding as of May 31, 2018 are as follows:

YEAR ENDED <u>MAY 31,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2019	\$ 2,868,509	\$ 1,008,547
2020	2,881,445	939,399
2021	2,556,903	862,509
2022	2,618,128	801,104
2023	2,668,490	735,612
2024-2028	13,260,000	2,604,304
2029-2033	8,700,000	921,459
2034-2035	<u>1,445,000</u>	<u>50,119</u>
<b>TOTAL</b>	<u>\$ 36,998,475</u>	<u>\$ 7,923,053</u>

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

Interest Paid	\$ 1,073,838
Less: Interest Accrued in the Prior Year	(234,773)
Amortization of Bond Premium	(17,178)
Plus: Interest Accrued in the Current Year	<u>210,527</u>
<b>Total Expense</b>	<u>\$ 1,032,414</u>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

NOTE 6 – LIABILITIES (Continued)

3. Short Term Debt

Bond Anticipation Notes

The following is a summary of the bond anticipation notes outstanding at May 31, 2018:

<u>DESCRIPTION</u>	<u>RATE</u>	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>ENDING BALANCE</u>
Sidewalks and Curbs	1.19%	\$ 102,000	\$ -	\$ -	\$ 102,000
Firefighting Vehicle and Apparatus	1.19%	739,500	-	-	739,500
Traffic Signals	1.19%	102,000	-	-	102,000
Various Purposes	1.19%	784,796	-	-	784,796
Paving	1.19%	-	127,500	-	127,500
Pleasantville North St. Rd.	1.19%	-	535,500	-	535,500
Satellite Truck	1.19%	-	86,700	-	86,700
Dump Truck	1.19%	<u>-</u>	<u>71,400</u>	<u>-</u>	<u>71,400</u>
		<u>\$ 1,728,296</u>	<u>\$ 821,100</u>	<u>\$ -</u>	<u>\$ 2,549,396</u>

Interest expense on short term debt consisted of the following:

Interest Paid	\$ 7,821
Less: Interest Accrued In Prior Year	(4,539)
Plus: Interest Accrued In Current Year	<u>24,018</u>
<b>TOTAL EXPENSE</b>	<b>\$ 27,300</b>

NOTE 7 – CONTINGENCIES

A. Lawsuits

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

B. Federal And State Grants

The Village participates in various Federal and State grant programs. Accordingly, the Village's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

NOTE 8 – NET INVESTMENT IN CAPITAL ASSETS

Capital Assets, net	\$ 57,342,153
Less: Outstanding Bonds	(36,860,000)
Outstanding Installment Debt	(138,475)
Outstanding Bond	(2,549,396)
Anticipation Notes	(113,870)
Unamortized Bond Premium	<u>(113,870)</u>
 Net Investment in Capital Assets	 <u>\$ 17,680,412</u>

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

Pension Plan Descriptions and Benefits Provided

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

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

At May 31, 2018, the Village reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2018 for ERS and PFRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	<u>ERS</u>	<u>PFRS</u>
Actuarial valuation date	April 1, 2017	April 1, 2017
Net pension asset/(liability)	\$ (545,724)	\$ (582,072)
Village's portion of the Plan's total net pension asset/(liability)	0.0169089%	0.0575877%

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

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

For the year ended May 31, 2018, the Village recognized pension expense of \$649,624 for ERS and \$651,091 for PFRS. At May 31, 2018, the Village reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	<u>ERS</u>	<u>PFRS</u>	<u>ERS</u>	<u>PFRS</u>
Differences between expected and actual experience	\$ 194,642	\$ 239,575	\$ 160,845	\$ 154,670
Changes of assumptions	361,860	441,025	-	-
Net difference between projected and actual earnings on pension plan investments	792,621	471,119	1,564,554	948,808
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	30,004	300,052	46,526	8,275
Village's contributions subsequent to the measurement date	<u>111,689</u>	<u>105,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,490,816</u>	<u>\$ 1,556,771</u>	<u>\$ 1,771,925</u>	<u>\$ 1,111,753</u>

Village contributions subsequent to the measurement date of \$105,000 for PFRS and \$111,689 for ERS will be recognized as a reduction of the net pension liability in the year May 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>	<u>PFRS</u>
2019	\$ 106,695	\$ 214,248
2020	87,967	200,943
2021	(405,318)	(75,654)
2022	(182,142)	(39,477)
2023	-	39,958
Thereafter	<u>-</u>	<u>-</u>
<b>TOTAL</b>	<b><u>\$ (392,798)</u></b>	<b><u>\$ 340,018</u></b>

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

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

Actuarial Assumptions

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

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2018	March 31, 2018
Actuarial valuation date	April 1, 2017	April 1, 2017
Interest rate	7.0%	7.0%
Salary scale	3.8%	4.5%
Decrement tables	April 1, 2010-March 31, 2015 System's Experience	April 1, 2010-March 31, 2015 System's Experience
Inflation rate	2.5%	2.5%

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

For ERS and PFRS, the actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

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

	<u>ERS/PFRS</u>
Measurement date	March 31, 2018
Asset Type:	
Domestic Equity	4.55%
International Equity	6.35
Real Estate	5.55
Alternative Investments	3.75 - 5.68
Mortgages	1.31
Short-term	1.00
Private Equities	7.50

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 MAY 31, 2018

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

Discount Rate

The discount rate used to calculate the total pension liability was 7.00% for ERS and PFRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employees will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease <u>(6.00%)</u>	Current Assumption <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
<u>ERS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (4,129,095)	\$ (545,724)	\$ 2,485,664
<u>PFRS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (2,851,147)	\$ (582,072)	\$ 1,321,149

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

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

Pension Plan Fiduciary Net Position

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

	ERS (in thousands)	PFRS (in thousands)
Valuation date	April 1, 2017	April 1, 2017
Employers' total pension liability	\$ (183,400,590)	\$ (32,914,423)
Plan Net Position	<u>180,173,145</u>	<u>31,903,666</u>
Employer's net pension asset/(liability)	<u>\$ (3,227,445)</u>	<u>\$ (1,010,757)</u>
Ration of plan net position to the Employer's total pension asset/(liability)	98.24%	96.93%

Payables to the Pension Plan

For ERS and PFRS, employer contributions are paid annually based on the Systems' fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of May 31 represent the projected employer contribution for the period of April 1 through May 31 based on paid ERS and PFRS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2018 amounted to \$111,689 for ERS and \$105,000 for PFRS.

NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS

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

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

The Village recognizes the cost of providing health insurance annually as expenditures in the fund financial statements as payments are made. For the year ended May 31, 2018 the District recognized approximately \$700,000 for its share of insurance premiums for currently enrolled retirees.

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)**

The Village has obtained an actuarial valuation report as of June 1, 2017 which indicates that the total liability for other post-employment benefits is \$30,040,000.

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

**Funding Policy:** The contribution requirements of Plan members and the Village are established by the Board of Trustees. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2018, the Village contributed approximately \$700,000 to the plan for current premiums and \$0 to prefund benefits.

**Annual OPEB Cost and Net OPEB Obligation:** The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

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

Annual required contribution	\$ 2,680,000
Adjustment to annual required contribution	(590,000)
Interest on net OPEB obligation	<u>450,000</u>
Annual OPEB cost (expense)	2,540,000
Contributions made	<u>(700,000)</u>
Increase in net OPEB obligation	1,840,000
Net OPEB obligation—beginning of year	<u>10,100,000</u>
Net OPEB obligation—end of year	<u>\$ 11,940,000</u>

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 10 – POST EMPLOYMENT HEALTH INSURANCE BENEFITS (Continued)**

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2018 and the preceding years were as follows:

Fiscal Year <u>Ended</u>	Beginning Net OPEB Obligation (a)	Annual OPEB Cost (b)	Contributions (c)	Percentage of Annual OPEB Cost <u>Contributed (c/b)</u>	Ending Net OPEB Obligation (a+b-c)
5/31/2018	\$ 10,100,000	\$ 2,540,000	\$ 700,000	27.56%	\$ 11,940,000
5/31/2017	8,680,000	2,120,000	700,000	33.02%	10,100,000
5/31/2016	7,290,000	2,020,000	630,000	31.19%	8,680,000
5/31/2015	5,960,000	1,960,000	630,000	32.14%	7,290,000
5/31/2014	4,600,000	2,000,000	640,000	32.00%	5,960,000

**Funded Status and Funding Progress:** As of June 1, 2017, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$30,040,000, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$30,040,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$7.7 million, and the ratio of the UAAL to the covered payroll was approximately 389%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the June 1, 2017, actuarial valuation, the Projected Unit Credit Cost Method was used. The actuarial assumptions included an annual healthcare cost trend rate of 8.0% initially, reduced by decrements to an ultimate rate of 5.0%, and a discount rate of 4.5%. The UAAL is being amortized on a level dollar basis on an open basis over 30 years.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 11 – SERVICE AWARD PROGRAM

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

Participation, vesting and service credit

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

Forfeitures

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

Annual Contributions

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

Benefits

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

For the year ended May 31, 2018 the Village's required contribution of \$48,300 was offset by \$14,368 in forfeited account balances, leaving a net contribution due of \$33,932.

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2018**

**NOTE 12 – MITIGATION RECEIVABLE**

The Village has entered into an agreement with a local developer in which the developer has offered to make mitigation and contributory payments to the Village in recognition of public purpose infrastructure improvements completed by the Village that will benefit the developer. The developer has agreed to make non-refundable mitigation and contribution payments of \$2,000,000 for Library and Community Center improvements, \$500,000 for emergency equipment and \$8,747,874 for public purpose infrastructure improvements. The first two payments, totaling \$2,500,000, were paid in a lump sum prior to May 31, 2017. The final payment is being paid in 30 semi-annual installments of \$291,596 each beginning no earlier than September 1, 2015. The developer has paid all scheduled annual installments, leaving a receivable balance of \$6,998,299 as of May 31, 2018.

**NOTE 13 – EVENTS OCCURRING AFTER REPORTING DATE**

The Village has evaluated events and transactions that occurred between May 31, 2018 and November 2, 2018, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**NOTE 14 – RESTATED BALANCES**

The beginning fund balance in the General Fund has been decreased by \$138,007 to account for the following items reported as of May 31, 2017:

Overstated Sales Tax Receivable	\$ (119,446)
Overstated Insurance Receivable	(53,561)
Understated Franchise Fee Receivable	<u>35,000</u>
Net change to beginning fund balance	<u><u>\$ (138,007)</u></u>

The beginning net position in the statement of activities has been decreased by \$359,520 to account for accrued sick time not included in compensated absences in previous years.

**NOTE 15 – CHANGES IN ACCOUNTING PRINCIPLES**

For the year ended May 31, 2018, the Village implemented GASB Statement No. 86, *Certain Debt Extinguishment Issues*. The implementation of the Statement eliminates the requirement to capitalize and amortize the difference between the reacquisition price and the net carrying value of defeased debt when refunding bonds. Under the new Statement, that difference is recognized as a gain or loss in the year in which the bonds are refunded. As a result of the implementation of the new Statement, the Village's beginning net position in the statement of activities has been decreased by \$342,337.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 31, 2018

NOTE 16 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

**Overspent Appropriations**

Expenditures for the year ended May 31, 2018 materially exceeded appropriations in the funds and/or functions identified below:

<u>FUND/FUNCTION</u>	<u>APPROPRIATIONS AS MODIFIED</u>	<u>EXPENDITURES</u>	<u>UNFAVORABLE VARIANCE</u>
General Fund - Law	\$ 102,500	\$ 214,667	\$ (112,167)
Debt Service Fund – Transfers Out	633,192	1,607,755	(974,563)

The overspent appropriations in the General Fund were caused by unbudgeted legal expenses and were funded with available fund balance.

The overspent appropriations in the Debt Service Fund were caused by transfers to the General Fund in excess of the budgeted amount and were funded with available fund balance.

**Deficit Fund Balance**

The Capital Projects Fund had a deficit unassigned fund balance of \$2,538,024 at May 31, 2018. The deficit was caused by the accounting treatment of bond anticipation notes and will be eliminated when the notes are either converted to long term financing or principal payments are made to eliminate the liability.

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
<b>REVENUES</b>					
Real Property Taxes	\$ 10,846,173	\$ 10,846,173	\$ 10,842,186	\$ (3,987)	\$ 10,720,703
50,000	50,000	41,783	(8,217)	42,937	
1,561,270	1,561,270	1,611,351	50,081	1,511,988	
1,266,521	1,275,271	1,177,349	(97,922)	1,237,532	
215,324	215,324	228,129	12,805	221,690	
240,868	240,868	253,325	12,457	243,400	
484,350	484,350	492,400	8,050	1,542,457	
120,000	120,000	181,732	61,732	143,552	
32,000	32,000	103,691	71,691	99,127	
99,416	99,416	136,037	131,462	(4,575)	171,080
467,336	467,336	502,826	560,143	57,317	593,167
		5,348	5,348		
<b>TOTAL REVENUES</b>	<b>15,383,258</b>	<b>15,469,467</b>	<b>15,628,899</b>	<b>159,432</b>	<b>16,527,633</b>
<b>EXPENDITURES</b>					
General Government Support	2,911,884	2,880,075	2,832,215	47,860	2,592,636
5,507,255	5,757,572	5,481,383	276,189	5,288,850	
223,539	221,783	215,334	6,449	179,306	
1,821,650	2,086,637	2,021,793	64,844	1,884,567	
1,909,211	1,834,593	1,758,230	76,363	1,661,358	
1,701,167	1,696,237	1,605,796	90,441	1,577,833	
Debt Service:					
Principal		46,756	51,756	(5,000)	868,749
Interest	7,800	10,983	10,983		11,869
<b>TOTAL EXPENDITURES</b>	<b>14,082,506</b>	<b>14,534,636</b>	<b>13,977,490</b>	<b>557,146</b>	<b>14,065,168</b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 REQUIRED SUPPLEMENTAL INFORMATION  
 GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,300,752</u>	<u>\$ 934,831</u>	<u>\$ 1,651,409</u>	<u>\$ 716,578</u>	<u>\$ 2,462,465</u>
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	1,531,222	1,531,222	1,531,222	-	1,531,222
Operating Transfers Out	(2,831,974)	(2,897,674)	(2,897,674)	-	(3,056,255)
Insurance Recoveries	-	-	-	-	2,178,299
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,300,752)</u>	<u>(1,366,452)</u>	<u>(1,366,452)</u>	<u>653,266</u>	
SPECIAL ITEMS					
Pavilion Reconstruction	-	(224,752)	(219,422)	5,330	(2,002,892)
TOTAL SPECIAL ITEMS	<u>-</u>	<u>(224,752)</u>	<u>(219,422)</u>	<u>5,330</u>	<u>(2,002,892)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES, OTHER USES AND SPECIAL ITEMS					
FUND BALANCE - Beginning Of Year (Restated)	-	(656,373)	65,535	721,908	1,112,839
FUND BALANCE - End Of Year	<u>\$ -</u>	<u>656,373</u>	<u>3,392,394</u>	<u>2,736,021</u>	<u>2,417,562</u>
	<u>\$ -</u>	<u>-</u>	<u>\$ 3,457,929</u>	<u>\$ 3,457,929</u>	<u>\$ 3,530,401</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**WATER FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED MAY 31, 2018**  
**(WITH COMPARATIVE ACTUALS FOR 2017)**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2017 ACTUAL</u>
<b>REVENUES</b>					
Departmental Income	\$ 5,382,400	\$ 5,382,400	\$ 4,750,705	\$ (631,695)	\$ 5,391,460
Intergovernmental Charges	25,000	25,000	-	(25,000)	193,628
Use Of Money And Property	1,350	1,350	5,571	4,221	2,623
Sale Of Property And Compensation For Loss	6,500	6,500	5,050	(1,450)	19,683
Miscellaneous Local Sources	12,100	12,100	11,999	(101)	10,552
<b>TOTAL REVENUES</b>	<b>5,427,350</b>	<b>5,427,350</b>	<b>4,773,325</b>	<b>(654,025)</b>	<b>5,617,946</b>
<b>EXPENDITURES</b>					
General Government Support	412,419	369,991	327,016	42,975	314,633
Home And Community Services	3,091,810	3,220,604	3,009,488	211,116	2,907,766
<b>TOTAL EXPENDITURES</b>	<b>3,504,229</b>	<b>3,590,595</b>	<b>3,336,504</b>	<b>254,091</b>	<b>3,222,399</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,923,121</b>	<b>1,836,755</b>	<b>1,436,821</b>	<b>(399,934)</b>	<b>2,395,547</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfers Out	(2,356,154)	(2,452,651)	(2,452,651)	-	(2,632,254)
Operating Transfers In	433,033	433,033	433,033	-	433,033
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)</b>	<b>-</b>	<b>(182,863)</b>	<b>(582,797)</b>	<b>(399,934)</b>	<b>196,326</b>
<b>FUND BALANCE – Beginning Of Year</b>	<b>-</b>	<b>182,863</b>	<b>2,942,067</b>	<b>2,759,204</b>	<b>2,745,741</b>
<b>FUND BALANCE – End Of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,359,270</b>	<b>\$ 2,359,270</b>	<b>\$ 2,942,067</b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 REQUIRED SUPPLEMENTARY INFORMATION  
 DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
REVENUES					
Miscellaneous Local Sources	\$ 583,191	\$ 583,191	\$ 583,191	\$ -	\$ 3,092,342
TOTAL REVENUES	583,191	583,191	583,191	-	3,092,342
EXPENDITURES					
Debt Service:					
Principal	2,810,000	2,810,000	2,810,000	-	2,765,000
Interest	1,070.675	1,070.675	1,070.676	(1)	1,135.766
TOTAL EXPENDITURES	3,880,675	3,880,675	3,880,676	(1)	3,900,766
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,297,484)	(3,297,484)	(3,297,485)	(1)	(808,424)
OTHER FINANCING SOURCES (USES)					
Operating Transfers Out	(633,192)	(633,192)	(1,607,755)	(974,563)	(1,607,755)
Operating Transfers In	3,880,676	3,880,676	3,880,676	-	3,900,766
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER (USES)	(50,000)	(50,000)	(1,024,564)	(974,564)	1,484,587
FUND BALANCE – Beginning Of Year	50.000	50,000	1,750,487	1,700,487	265,900
FUND BALANCE – End Of Year	\$ -	\$ -	\$ 725,923	\$ 725,923	\$ 1,750,487

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
 OTHER POST EMPLOYMENT BENEFITS  
 MAY 31, 2018

<u>Fiscal Year Beginning</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL)(b)</u>	<u>Unfunded AAL (UAAL)(b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Estimated Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
6/1/2013	6/1/2013	\$ 0	\$ 21,250,000	\$ 21,250,000	0%	\$ 6,810,000	312.04%
6/1/2014	6/1/2014	0	21,260,000	21,260,000	0%	6,520,000	326.07%
6/1/2015	6/1/2015	0	23,290,000	23,290,000	0%	7,460,000	312.20%
6/1/2016	6/1/2016	0	24,680,000	24,680,000	0%	7,060,000	349.58%
6/1/2017	6/1/2017	0	30,040,000	30,040,000	0%	7,720,000	389.12%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET/LIABILITY**  
**YEAR ENDED MAY 31, 2018**

**ERS System**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
The Village's proportion of the net pension liability	0.0169089%	0.0170337%	0.0182780%
The Village's proportionate share of the net pension liability	\$ 545,724	\$ 1,600,528	\$ 2,933,676
The Village's covered employee payroll	4,348,591	4,241,109	4,216,411
The Village's proportionate share of the net pension liability as a percentage of covered employee payroll	12.55%	37.74%	69.58%
Plan Fiduciary net position as a percentage of the total pension liability	98.24%	94.7%	90.7%

**PFRS System**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
The Village's proportion of the net pension liability	0.0575877%	0.0580166%	0.0518970%
The Village's proportionate share of the net pension liability	\$ 582,072	\$ 1,202,482	\$ 1,539,305
The Village's covered employee payroll	2,531,275	2,652,279	2,706,030
The Village's proportionate share of the net pension liability as a percentage of covered employee payroll	23.00%	45.34%	56.88%
Plan Fiduciary net position as a percentage of the total pension liability	96.93%	93.5%	90.2%

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS  
 YEAR ENDED MAY 31, 2018

<u>ERS System</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contribution	\$ 660,556	\$ 678,595	\$ 838,886	\$ 895,828	\$ 920,289	\$ 938,856	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	<u><math>(660,556)</math></u>	<u><math>(678,595)</math></u>	<u><math>(838,886)</math></u>	<u><math>(895,828)</math></u>	<u><math>(920,289)</math></u>	<u><math>(938,856)</math></u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contribution deficiency (excess)	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>
Contribution as a percentage of covered employee payroll	15.19%	16.00%	19.78%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
 <u>PFRS System</u>										
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contribution	\$ 607,279	\$ 637,810	\$ 435,526	\$ 676,823	\$ 652,106	\$ 641,618	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	<u><math>(607,279)</math></u>	<u><math>(637,810)</math></u>	<u><math>(435,526)</math></u>	<u><math>(676,823)</math></u>	<u><math>(652,106)</math></u>	<u><math>(641,618)</math></u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contribution deficiency (excess)	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>	<u><math>\\$</math></u>
Contribution as a percentage of covered employee payroll	23.99%	24.05%	16.02%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 MAY 31, 2018

	<u>LIBRARY</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>			
Cash	\$ 45,979	\$ -	\$ 45,979
Due From Other Funds	116,613	-	116,613
Prepaid Expenses	<u>8,383</u>	<u>-</u>	<u>8,383</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 170,975</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 170,975</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 12,819	\$ -	\$ 12,819
Accrued Liabilities	1,518	-	1,518
Due To ERS	<u>7,500</u>	<u>-</u>	<u>7,500</u>
<b>TOTAL LIABILITIES</b>	<b><u>21,837</u></b>	<b><u>-</u></b>	<b><u>21,837</u></b>
<b>FUND BALANCES</b>			
Non-Spendable:			
Prepaid Items	8,383	-	8,383
Restricted:			
Encumbrances	3,030	-	3,030
Assigned:			
Appropriated	28,107	-	28,107
Unappropriated	<u>109,618</u>	<u>-</u>	<u>109,618</u>
<b>TOTAL FUND BALANCES</b>	<b><u>149,138</u></b>	<b><u>-</u></b>	<b><u>149,138</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 170,975</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 170,975</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED MAY 31, 2018

	<u>LIBRARY</u>	<u>MISCELLANEOUS SPECIAL REVENUE</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
REVENUES			
Departmental Income	\$ 9,373	\$ -	\$ 9,373
Use Of Money And Property	2,477	-	2,477
Miscellaneous Local Sources	8,507	36,000	44,507
State Aid	<u>2,283</u>	<u>-</u>	<u>2,283</u>
TOTAL REVENUES	<u>22,640</u>	<u>36,000</u>	<u>58,640</u>
EXPENDITURES			
General Government Support	20,828	-	20,828
Culture And Recreation	<u>551,752</u>	<u>-</u>	<u>551,752</u>
TOTAL EXPENDITURES	<u>572,580</u>	<u>-</u>	<u>572,580</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(549,940)	36,000	(513,940)
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	641,433	-	641,433
Operating Transfers Out	<u>-</u>	<u>(108,000)</u>	<u>(108,000)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	91,493	(72,000)	19,493
FUND BALANCE – Beginning Of Year	<u>57,645</u>	<u>72,000</u>	<u>129,645</u>
FUND BALANCE – End Of Year	<u>\$ 149,138</u>	<u>\$ -</u>	<u>\$ 149,138</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash	\$ 2,683,885	\$ 2,573,340
Taxes Receivable	58,918	85,793
Accounts Receivable	111,518	1,089,292
Due From Other Funds	1,540,315	635,920
Due From Other Governments	366,388	631,101
Prepaid Expenditures	<u>136,220</u>	<u>121,318</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 4,897,244</u></b>	<b><u>\$ 5,136,764</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 260,123	\$ 274,638
Accrued Liabilities	59,047	162,392
Due To Other Funds	340,981	450,460
Due To Other Governments	75,825	97,012
Due To ERS	182,689	182,689
Unearned Revenues	<u>472,742</u>	<u>391,264</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,391,407</u></b>	<b><u>1,558,455</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Taxes Receivable	<u>47,908</u>	<u>47,908</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>47,908</u></b>	<b><u>47,908</u></b>
<b>FUND BALANCE</b>		
Non-Spendable:		
Prepaid Items	136,220	121,318
Assigned:		
Encumbrances	181,381	366,135
Unassigned	<u>3,140,328</u>	<u>3,042,948</u>
<b>TOTAL FUND BALANCE</b>	<b><u>3,457,929</u></b>	<b><u>3,530,401</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b><u>\$ 4,897,244</u></b>	<b><u>\$ 5,136,764</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
REAL PROPERTY TAXES	\$ 10,846,173	\$ 10,846,173	\$ 10,842,186	\$ (3,987)	\$ 10,720,703
OTHER TAX ITEMS					
Interest And Penalties On Real Property Taxes		50,000	41,783	(8,217)	42,937
NON-PROPERTY TAXES					
Sales Tax	1,197,890	1,197,890	1,227,368	29,478	1,160,048
Utilities Gross Receipts Taxes	180,750	180,750	171,960	(8,790)	169,764
Franchise Fees	182,630	182,630	212,023	29,393	182,176
	1,561,270	1,561,270	1,611,351	50,081	1,511,988
DEPARTMENTAL INCOME					
Clerk Fees	32,840	32,840	11,434	(21,406)	40,690
Police Fees	33,500	33,500	32,432	(1,068)	29,973
Alarm System Service	48,700	48,700	42,975	(5,725)	48,347
Parking Fees	350,000	358,750	356,277	(2,473)	356,130
Parks And Recreation Charges	529,019	529,019	491,152	(37,867)	477,484
Special Recreation Facility Charges	225,962	225,962	211,170	(14,792)	241,522
Planning Board Fees	9,000	9,000	6,750	(2,250)	9,650
Zoning Board Fees	4,000	4,000	1,500	(2,500)	3,500
Sanitation Fees	17,500	17,500	14,756	(2,744)	19,589
Sale Of Leaf Bags	2,500	2,500	1,763	(737)	2,037
Sale Of Unleaded/Diesel Fuel	13,500	13,500	7,140	(6,360)	8,610
	1,266,521	1,275,271	1,177,349	(97,922)	1,237,532
INTERGOVERNMENTAL CHARGES					
Fire Protection Services To Other Governments	192,850	192,850	201,637	8,787	204,826
Snow Removal Charges To Other Governments	22,474	22,474	26,492	4,018	16,864
	215,324	215,324	228,129	12,805	221,690

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
USE OF MONEY AND PROPERTY					
Earnings On Investments	\$ 2,600	\$ 2,600	\$ 7,391	\$ 4,791	\$ 3,590
Rental Of Real Property	<u>238,268</u>	<u>238,268</u>	<u>245,934</u>	<u>7,666</u>	<u>239,810</u>
	<u>240,868</u>	<u>240,868</u>	<u>253,325</u>	<u>12,457</u>	<u>243,400</u>
LICENSES AND PERMITS					
Street Opening Permits	44,500	44,500	74,350	29,850	38,166
Dog Licenses	1,800	1,800	1,640	(160)	1,960
Business Licenses	2,000	2,000	3,600	1,600	600
Building Permits	<u>436,050</u>	<u>436,050</u>	<u>412,810</u>	<u>(23,240)</u>	<u>1,501,731</u>
	<u>484,350</u>	<u>484,350</u>	<u>492,400</u>	<u>8,050</u>	<u>1,542,457</u>
FINES AND FORECLOSURES					
Fines and Forfeited Bail	<u>120,000</u>	<u>120,000</u>	<u>181,732</u>	<u>61,732</u>	<u>143,552</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale Of Equipment	7,000	7,000	5,000	(2,000)	60
Sale Of Scrap	4,000	4,000	2,840	(1,160)	2,666
Insurance Recoveries	<u>21,000</u>	<u>21,000</u>	<u>95,851</u>	<u>74,851</u>	<u>96,401</u>
	<u>32,000</u>	<u>32,000</u>	<u>103,691</u>	<u>71,691</u>	<u>99,127</u>
STATE AID					
Per Capita	44,794	44,794	44,002	(792)	44,826
Mortgage Tax	180,000	180,000	237,017	57,017	305,799
Consolidated Highway Aid	241,404	276,894	276,894	-	241,404
Youth Programs	<u>1,138</u>	<u>1,138</u>	<u>2,230</u>	<u>1,092</u>	<u>1,138</u>
	<u>467,336</u>	<u>502,826</u>	<u>560,143</u>	<u>57,317</u>	<u>593,167</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
<b>FEDERAL AID</b>					
Police Grant	\$ -	\$ 5,348	\$ 5,348	\$ -	\$ -
<b>MISCELLANEOUS</b>					
Other	99,416	136,037	131,462	(4,575)	171,080
<b>TOTAL REVENUES</b>	<u>15,383,258</u>	<u>15,469,467</u>	<u>15,628,899</u>	<u>159,432</u>	<u>16,527,633</u>
<b>OTHER FINANCING SOURCES</b>					
Insurance Recoveries	-	-	-	-	2,178,299
Transfers In:					
Water Fund	356,500	356,500	356,500	-	356,500
Capital Projects Fund	-	-	-	-	-
Debt Service Fund	1,174,722	1,174,722	1,174,722	-	1,174,722
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>1,531,222</u>	<u>1,531,222</u>	<u>1,531,222</u>	<u>-</u>	<u>3,709,521</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 16,914,480</u>	<u>\$ 17,000,689</u>	<u>\$ 17,160,121</u>	<u>\$ 159,432</u>	<u>\$ 20,237,154</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board Of Trustees	\$ 35,498	\$ 76,960	\$ 76,233	\$ 727	\$ 94,581
Village Justice	228,806	263,490	258,997	4,493	232,760
Manager	176,479	199,263	186,775	12,488	173,142
Auditor	28,225	22,955	17,825	5,130	30,273
Treasurer	309,781	304,209	288,620	15,589	286,794
Clerk	295,589	316,646	306,607	10,039	281,312
Law	152,000	102,500	214,667	(112,167)	113,556
Engineer	128,719	133,854	127,230	6,624	126,495
Elections	2,170	2,339	1,610	729	1,856
Records Management	3,708	3,708	-	3,708	40
DPW Administration	387,852	415,859	405,938	9,921	373,356
Buildings	101,000	119,072	97,267	21,805	90,567
Central Garage	463,198	468,749	453,255	15,494	455,639
Central Data Processing	40,096	68,669	65,746	2,923	52,295
Unallocated Insurance	242,000	257,899	257,899	-	232,974
Municipal Association Dues	5,535	5,535	4,989	546	9,919
Taxes And Assessments on Municipal Property	-	14,032	14,032	-	-
Refunds Of Real Property Taxes	100,000	50,500	1,189	49,311	8,662
Fiscal Agent Fees	3,000	3,000	2,500	500	2,500
Metropolitan Commuter Transportation Mobility Tax	20,500	21,951	21,951	-	20,642
Insurance Recovery Expense	6,000	28,885	28,885	-	5,273
Contingency	181,728	-	-	-	-
	<u>2,911,884</u>	<u>2,880,075</u>	<u>2,832,215</u>	<u>47,860</u>	<u>2,592,636</u>
<b>PUBLIC SAFETY</b>					
Police Department	4,749,174	4,791,042	4,674,993	116,049	4,542,265
Fire Department	560,782	577,950	511,303	66,647	427,866
Control Of Animals	7,100	7,351	7,351	-	7,351
Safety Inspection	190,199	381,229	287,736	93,493	311,368
	<u>5,507,255</u>	<u>5,757,572</u>	<u>5,481,383</u>	<u>276,189</u>	<u>5,288,850</u>
<b>SEE ACCOMPANYING NOTES AND AUDITORS' OPINION</b>					

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
HEALTH Ambulance	\$ 223,539	\$ 221,783	\$ 215,334	\$ 6,449	\$ 179,306
TRANSPORTATION					
Street Maintenance	1,091,049	1,305,003	1,272,069	32,934	1,095,080
Road Construction	251,501	285,767	263,376	22,391	370,768
Snow Removal	216,316	224,890	223,331	1,559	179,643
Street Lighting	262,784	270,977	263,017	7,960	239,076
	<u>1,821,650</u>	<u>2,086,637</u>	<u>2,021,793</u>	<u>64,844</u>	<u>1,884,567</u>
CULTURE AND RECREATION					
Administration	637,185	684,216	669,082	15,134	575,048
Parks And Playgrounds	474,597	351,656	334,183	17,473	389,276
Recreation Programs	181,886	187,096	167,116	19,980	162,823
Youth Programs	454,151	444,653	430,353	14,300	399,585
After School Programs	38,484	31,684	32,847	(1,163)	29,818
Celebrations	18,600	24,964	24,741	223	25,022
Adult Recreation	12,708	11,614	10,371	1,243	7,627
Senior Citizens	71,780	73,693	67,509	6,184	60,271
Community Center	19,820	25,017	22,028	2,989	11,888
	<u>1,909,211</u>	<u>1,834,593</u>	<u>1,758,230</u>	<u>76,363</u>	<u>1,661,358</u>
HOME AND COMMUNITY SERVICES					
Zoning Board	2,651	2,651	1,858	793	3,899
Planning Board	5,973	6,541	6,527	14	5,120
Recycling	281,257	310,756	280,706	30,050	250,610
Refuse And Garbage	886,209	920,362	896,302	24,060	831,938
Construction Projects	346,072	310,345	295,575	14,770	337,927
Community Beautification	179,005	145,582	124,828	20,754	148,339
	<u>1,701,167</u>	<u>1,696,237</u>	<u>1,605,796</u>	<u>90,441</u>	<u>1,577,833</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET**  
**YEAR ENDED MAY 31, 2018**  
**(WITH COMPARATIVE ACTUALS FOR 2017)**

(Continued)

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>2018 ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2017 ACTUAL</u>
<b>DEBT SERVICE</b>					
Bond Anticipation Notes - Principal	\$ 7,800	7,821	7,821	-	\$ 816,000
Bond Anticipation Notes - Interest	-	46,756	51,756	(5,000)	6,528
Installment Purchase Debt - Principal	-	3,162	3,162	-	52,749
Installment Purchase Debt - Interest	-	-	-	-	5,341
	<u>7,800</u>	<u>57,739</u>	<u>62,739</u>	<u>(5,000)</u>	<u>880,618</u>
<b>TOTAL EXPENDITURES</b>	<u>14,082.506</u>	<u>14,534.636</u>	<u>13,977.490</u>	<u>557.146</u>	<u>14,065,168</u>
<b>OTHER FINANCING USES</b>					
Transfers Out:					
Public Library Fund	641,433	641,433	641,433	-	594,835
Debt Service Fund	2,190,541	2,190,541	2,190,541	-	2,196,012
Capital Projects Fund	-	65,700	65,700	-	265,408
	<u>2,831.974</u>	<u>2,897.674</u>	<u>2,897.674</u>	<u>-</u>	<u>3,056,255</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>2,831.974</u>	<u>2,897.674</u>	<u>2,897.674</u>	<u>-</u>	<u>3,056,255</u>
<b>SPECIAL ITEMS</b>					
Pavilion Reconstruction	-	224,752	219,422	5,330	<u>2,002,892</u>
<b>TOTAL SPECIAL ITEMS</b>	<u>-</u>	<u>224,752</u>	<u>219,422</u>	<u>5,330</u>	<u>2,002,892</u>
<b>TOTAL EXPENDITURES, OTHER FINANCING USES AND SPECIAL ITEMS</b>	<u>\$ 16,914,480</u>	<u>\$ 17,657,062</u>	<u>\$ 17,094,586</u>	<u>\$ 562,476</u>	<u>\$ 19,124,315</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash	\$ 1,910,027	\$ 1,910,490
Water Rents Receivable	1,037,087	1,139,632
Due From Other Funds	433,033	-
Due From Other Governments	-	193,628
Prepaid Expenditures	<u>21,800</u>	<u>20,318</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,401,947</u></b>	<b><u>\$ 3,264,068</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 95,219	\$ 112,452
Accrued Liabilities	3,158	34,024
Customer Deposits	600	600
Due To Other Funds	744,185	2,862
Due To Other Governments	173,015	145,563
Due To ERS	<u>26,500</u>	<u>26,500</u>
<b>TOTAL LIABILITIES</b>	<b><u>1,042,677</u></b>	<b><u>322,001</u></b>
<b>FUND BALANCE</b>		
Non-Spendable:		
Prepaid Items	21,800	20,318
Restricted:		
Encumbrances	64,371	29,973
Assigned:		
Appropriated	1,750,000	-
Unappropriated	<u>523,099</u>	<u>2,891,776</u>
<b>TOTAL FUND BALANCE</b>	<b><u>2,359,270</u></b>	<b><u>2,942,067</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 3,401,947</u></b>	<b><u>\$ 3,264,068</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 WATER FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
DEPARTMENTAL INCOME					
Metered Water Sales	\$ 5,267,000	\$ 5,267,000	\$ 4,626,368	\$ (640,632)	\$ 5,244,697
Water Service Charges	14,900	14,900	17,650	2,750	16,950
Sewer Service Charges	2,500	2,500	2,500	-	2,500
Interest And Penalties On Water Rents	98,000	98,000	104,187	6,187	127,313
	<u>5,382,400</u>	<u>5,382,400</u>	<u>4,750,705</u>	<u>(631,695)</u>	<u>5,391,460</u>
INTERGOVERNMENTAL CHARGES					
Water Charges	25,000	25,000	-	(25,000)	193,628
	<u>1,350</u>	<u>1,350</u>	<u>5,571</u>	<u>4,221</u>	<u>2,623</u>
USE OF MONEY AND PROPERTY					
Earnings On Investments					
SALE OF PROPERTY AND COMPENSATION					
FOR LOSS	6,500	6,500	5,050	(1,450)	7,600
Sale Of Equipment	-	-	-	-	12,083
Insurance Recoveries	6,500	6,500	5,050	(1,450)	19,683
MISCELLANEOUS					
Other	12,100	12,100	11,999	(101)	10,552
TOTAL REVENUES	<u>5,427,350</u>	<u>5,427,350</u>	<u>4,773,325</u>	<u>(654,025)</u>	<u>5,617,946</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK

WATER FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2017 ACTUAL
<b>OTHER FINANCING SOURCES</b>					
Transfers In:					
Debt Service Fund	\$ 433,033	\$ 433,033	\$ 433,033	\$ —	\$ 433,033
TOTAL OTHER FINANCING SOURCES	433,033	433,033	433,033	—	433,033
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>					
	<u>\$ 5,860,383</u>	<u>\$ 5,860,383</u>	<u>\$ 5,206,358</u>	<u>\$ (654,025)</u>	<u>\$ 6,050,979</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 WATER FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE (FAVORABLE (UNFAVORABLE)	2017 ACTUAL
<b>GENERAL GOVERNMENT SUPPORT</b>					
Auditor	\$ 13,650	\$ 13,650	\$ 9,450	\$ 4,200	\$ 13,390
Fiscal Agent Fees	9,788	9,788	8,788	1,000	9,316
Law	98,374	98,374	63,008	35,366	51,455
Buildings	14,974	16,569	16,545	24	10,517
Central Garage	100,212	106,480	105,379	1,101	96,149
Unallocated Insurance	83,000	83,749	83,749	-	83,000
Municipal Association Dues	3,803	3,803	2,519	1,284	2,439
Taxes And Assessments On Municipal Property	35,120	33,925	33,925	-	44,915
Metropolitan Commuter Transportation Mobility Tax	3,498	3,653	3,653	-	3,452
Contingency	50,000	-	-	-	-
	<u>412,419</u>	<u>369,991</u>	<u>327,016</u>	<u>42,975</u>	<u>314,633</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Sanitary Sewers	204,273	235,175	226,584	8,591	201,939
Water Administration	836,974	884,160	871,630	12,530	783,377
Pumping, Supply And Power	1,303,827	1,365,531	1,194,522	171,009	1,232,603
Transmission And Distribution	<u>746,736</u>	<u>735,738</u>	<u>716,752</u>	<u>18,986</u>	<u>689,847</u>
	<u>3,091,810</u>	<u>3,220,604</u>	<u>3,009,488</u>	<u>211,116</u>	<u>2,907,766</u>
<b>TOTAL EXPENDITURES</b>	<b><u>3,504,229</u></b>	<b><u>3,590,595</u></b>	<b><u>3,336,504</u></b>	<b><u>254,091</u></b>	<b><u>3,222,399</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

VILLAGE OF BRIARCLIFF MANOR, NEW YORK  
 WATER FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED MAY 31, 2018  
 (WITH COMPARATIVE ACTUALS FOR 2017)

(Continued)

	ORIGINAL BUDGET	FINAL BUDGET	2018 ACTUAL	VARIANCE		2017 ACTUAL
				FAVORABLE (UNFAVORABLE)	(UNFAVORABLE)	
<b>OTHER FINANCING USES</b>						
Transfers Out:						
General Fund	\$ 356,500	\$ 356,500	\$ 356,500	\$ -	\$ -	\$ 356,500
Capital Projects Fund	309,520	406,016	406,016	-	-	571,000
Debt Service Fund	<u>1,690,134</u>	<u>1,690,135</u>	<u>1,690,135</u>	<u>-</u>	<u>-</u>	<u>1,704,754</u>
TOTAL OTHER FINANCING USES	<u>2,356,154</u>	<u>2,452,651</u>	<u>2,452,651</u>	<u>-</u>	<u>-</u>	<u>2,632,254</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 5,860,383</u></u>	<u><u>\$ 6,043,246</u></u>	<u><u>\$ 5,789,155</u></u>	<u><u>\$ 254,091</u></u>	<u><u>\$ 5,854,653</u></u>	

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 875,693	\$ 1,739,834
Due From Other Funds	<u>1,457,985</u>	<u>10,653</u>
TOTAL ASSETS	<u>\$ 2,333,678</u>	<u>\$ 1,750,487</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due To Other Funds	<u>\$ 1,607,755</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>1,607,755</u>	<u>-</u>
FUND BALANCE		
Assigned:		
Appropriated	1,019,376	50,000
Unappropriated	<u>(293,453)</u>	<u>1,700,487</u>
TOTAL FUND BALANCE	<u>725,923</u>	<u>1,750,487</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,333,678</u>	<u>\$ 1,750,487</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash	\$ 45,979	\$ 25,021
Accounts Receivable	-	12,831
Due From Other Funds	116,613	45,405
Prepaid Expenses	<u>8,383</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 170,975</u></b>	<b><u>\$ 83,257</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 12,819	\$ 16,626
Accrued Liabilities	1,518	-
Due To Other Funds	-	1,486
Due To ERS	<u>7,500</u>	<u>7,500</u>
<b>TOTAL LIABILITIES</b>	<b><u>21,837</u></b>	<b><u>25,612</u></b>
<b>FUND BALANCE</b>		
Non-Spendable:		
Prepaid Items	8,383	-
Restricted:		
Encumbrances	3,030	9,867
Assigned:		
Appropriated	28,107	-
Unappropriated	<u>109,618</u>	<u>47,778</u>
<b>TOTAL FUND BALANCE</b>	<b><u>149,138</u></b>	<b><u>57,645</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 170,975</u></b>	<b><u>\$ 83,257</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

**VILLAGE OF BRIARCLIFF MANOR, NEW YORK**  
**LIBRARY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**YEAR ENDED MAY 31, 2018**  
**(WITH COMPARATIVE ACTUALS FOR 2017)**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>2017 ACTUAL</u>
<b>REVENUES</b>					
Departmental Income	\$ 11,000	\$ 11,000	\$ 9,373	\$ (1,627)	\$ 9,482
Use Of Money And Property	2,400	2,400	2,477	77	3,022
Miscellaneous Local Sources	4,588	8,408	8,507	99	24,114
State Aid	<u>2,188</u>	<u>2,188</u>	<u>2,283</u>	<u>95</u>	<u>2,282</u>
<b>TOTAL REVENUES</b>	<b><u>20,176</u></b>	<b><u>23,996</u></b>	<b><u>22,640</u></b>	<b><u>(1,356)</u></b>	<b><u>38,900</u></b>
<b>EXPENDITURES</b>					
General Government Support	24,313	24,428	20,828	3,600	29,443
Culture And Recreation	<u>637,296</u>	<u>650,868</u>	<u>551,752</u>	<u>99,116</u>	<u>538,715</u>
<b>TOTAL EXPENDITURES</b>	<b><u>661,609</u></b>	<b><u>675,296</u></b>	<b><u>572,580</u></b>	<b><u>102,716</u></b>	<b><u>568,158</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b><u>(641,433)</u></b>	<b><u>(651,300)</u></b>	<b><u>(549,940)</u></b>	<b><u>101,360</u></b>	<b><u>(529,258)</u></b>
<b>OTHER FINANCING SOURCES</b>					
Operating Transfers In	<u>641,433</u>	<u>641,433</u>	<u>641,433</u>	<u>-</u>	<u>594,835</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	<b><u>-</u></b>	<b><u>(9,867)</u></b>	<b><u>91,493</u></b>	<b><u>101,360</u></b>	<b><u>65,577</u></b>
<b>FUND BALANCE – Beginning Of Year</b>	<b><u>-</u></b>	<b><u>9,867</u></b>	<b><u>57,645</u></b>	<b><u>47,778</u></b>	<b><u>(7,932)</u></b>
<b>FUND BALANCE – End Of Year</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 149,138</u></b>	<b><u>\$ 149,138</u></b>	<b><u>\$ 57,645</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash	\$ 1,140,104	\$ 3,852,023
Due From Other Funds	599,068	404,052
Due From State and Federal	<u>430,000</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,169,172</u></b>	<b><u>\$ 4,256,075</u></b>
 <b>LIABILITIES</b>		
Accounts Payable	\$ 699,815	\$ 342,373
Bond Anticipation Notes	2,549,396	1,728,296
Due To Other Funds	<u>1,457,985</u>	<u>642,125</u>
<b>TOTAL LIABILITIES</b>	<b><u>4,707,196</u></b>	<b><u>2,712,794</u></b>
 <b>FUND BALANCE</b>		
Assigned	-	1,543,281
Unassigned	<u>(2,538,024)</u>	<u>-</u>
<b>TOTAL FUND BALANCE</b>	<b><u>(2,538,024)</u></b>	<b><u>1,543,281</u></b>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 2,169,172</u></b>	<b><u>\$ 4,256,075</u></b>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

	<u>2018</u>	<u>2017</u>
REVENUES		
Use Of Money And Property	\$ 20,353	\$ 11,270
Sale Of Property And Compensation For Loss	- -	50,000
Miscellaneous Local Sources	177,484	11,471
State Aid	- -	11,225
Federal Aid	<u>444,478</u>	<u>- -</u>
TOTAL REVENUES	<u>642,315</u>	<u>83,966</u>
EXPENDITURES		
Capital Outlay	<u>5,462,970</u>	<u>4,736,235</u>
TOTAL EXPENDITURES	<u>5,462,970</u>	<u>4,736,235</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,820,655)	(4,652,269)
OTHER FINANCING SOURCES (USES)		
Operating Transfers In	579,716	836,407
Proceeds of Installment Debt	159,634	- -
BAN's Redeemed From Appropriations	<u>- -</u>	<u>816,000</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(4,081,305)	(2,999,862)
FUND BALANCE (DEFICIT)		
Beginning Of Year	<u>1,543,281</u>	<u>4,543,143</u>
FUND BALANCE (DEFICIT)		
End Of Year	<u>\$ (2,538,024)</u>	<u>\$ 1,543,281</u>

SEE ACCOMPANYING NOTES AND AUDITORS' OPINION

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Briarcliff Manor, New York as of and for the year ended May 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Briarcliff Manor, New York's basic financial statements and have issued our report thereon dated November 2, 2018.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Mongaup Valley, New York  
November 2, 2018