

**Village of Ardsley, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2015



# Village of Ardsley, New York

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## **Independent Auditors' Report**

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

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ardsley, New York ("Village") as of and for the year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

O'CONNOR DAVIES, LLP

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2015, and the respective changes in financial position, thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

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

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

*O'Connor Davies, LLP*

**O'Connor Davies, LLP**  
Harrison, New York  
November 3, 2015

## **Village of Ardsley, New York**

### **Management's Discussion and Analysis May 31, 2015**

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#### **Introduction**

The Village of Ardsley, New York ("Village"), presents this Management's Discussion and Analysis ("MD&A") as an overview of the Village's financial activities for the fiscal year ended May 31, 2015. This MD&A focuses on current year activities, resulting changes, and currently known facts and should be read in conjunction with the basic financial statements and the notes to the Village's financial statements which immediately follow this section.

The Village of Ardsley has passed a significant milestone this year as its Village Manager retired in December after 24 years of service. A new Village Manager was hired in October to provide for some overlap and then took over the position completely on December 1, 2015. The following is a brief outline of other noteworthy changes and events that took place in this fiscal year:

- Development and implementation of the Village's first 10-year capital plan to guide and plan for infrastructure and major capital purchases
- Approval of 84,000 sq. ft./650 unit self-storage facility
- Start of Waterwheel Project site work and foundation work – 22 housing units within 4 separate buildings
- Renovation and expansion of a variety of businesses and restaurants
- Application received for 11 lot subdivision and several single family dwellings

The Village looks forward to these activities and to taking a fresh look at its operations and infrastructure needs.

#### **Financial Highlights**

- On the government-wide financial statements, the liabilities of the Village exceeded its assets at the close of the most recent fiscal year by \$1,268,146. Of this amount, the unrestricted amount is a deficit of \$4,582,336.
- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$579,125, inclusive of the Capital Projects Fund deficit of \$1,004,270. The General Fund's unassigned fund balance is \$969,214 and is available for spending at the Village's discretion. This represents 8.7% of the total General Fund expenditures and other financing uses.

#### **Overview of the Financial Statements**

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

## **Government-wide Financial Statements**

The government-wide financial statements present the Village as a single, unified entity and are intended to give the reader a broad perspective of the Village's financial condition. These statements closely resemble the financial statements of a private sector entity.

The statement of net position presents financial 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 indicating how the Village's net position changed during the 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 (e.g., uncollected taxes and earned but unused vacation leave).

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

## **Fund Financial Statements**

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

### **Governmental Funds**

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

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

The Village maintains two major governmental funds: the General Fund and the Capital Projects Fund. Major funds have their information presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances. The Public Library Fund and Special Purpose Fund are grouped together as non-major governmental funds.

The Village adopts annual budgets for the General Fund and the Public Library Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budget.

### **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, the Agency Fund and the Pension Trust Fund. Resources are held in the Agency Fund by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government. The Pension Trust Fund accounts for the Service Awards Program for volunteer firefighters.

### **Notes to Financial Statements**

The notes to financial statements 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 financial statements and include individual fund financial statements and schedules of budget to actual comparisons.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Village, liabilities exceeded assets by \$1,268,146 at the close of the most recent fiscal year.

The largest portion of the Village's net position, \$2,063,276, is its net investment in capital assets (land, buildings and improvements, machinery and equipment and infrastructure), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to its citizens and as a result these assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## Net Position

	Governmental Activities	
	2015	2014
Current Assets	\$ 3,136,427	\$ 2,486,564
Capital Assets, net	8,772,776	8,848,452
Total Assets	11,909,203	11,335,016
Current Liabilities	2,552,834	1,785,081
Long-term Liabilities	10,624,515	9,799,522
Total Liabilities	13,177,349	11,584,603
Net Position		
Net Investment in Capital Assets	2,063,276	2,418,202
Restricted	1,250,914	1,437,465
Unrestricted	(4,582,336)	(4,105,254)
Total Net Position	\$ (1,268,146)	\$ (249,587)

A portion of the Village's net position is restricted and represents resources that are subject to external restrictions on how they may be used. The restricted net position is to be used for the following purposes:

	May 31,	
	2015	2014
Capital Projects	\$ 678,633	\$ 870,818
Debt Service	526,815	524,866
Special Purpose	45,466	41,781
	\$ 1,250,914	\$ 1,437,465

## Change in Net Position

	Year Ended May 31,	
	2015	2014
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 1,158,760	\$ 1,197,624
Operating Grants and Contributions	292,897	437,315
Capital Grants and Contributions	(15,936)	290,436
	1,435,721	1,925,375
General Revenues		
Real Property Taxes	9,225,830	8,558,671
Other Tax Items	34,627	36,191
Non-Property Taxes	850,346	870,909
Unrestricted Use of Money and Property	539	1,550
Sale of Property and Compensation for Loss	42,649	20,065
Unrestricted State Aid	144,967	134,842
Miscellaneous	41,365	35,478
	10,340,323	9,657,706
Total General Revenues		
	11,776,044	11,583,081
<b>PROGRAM EXPENSES</b>		
General Government Support	2,062,070	2,260,730
Public Safety	5,954,035	6,402,758
Health	151,275	155,614
Transportation	1,577,901	1,399,240
Economic Opportunity and Development	60,988	65,855
Culture and Recreation	820,654	804,225
Home and Community Services	1,941,738	1,876,094
Interest	225,942	229,752
	12,794,603	13,194,268
Total Expenses		
Change in Net Position	(1,018,559)	(1,611,187)
<b>NET POSITION</b>		
Beginning	(249,587)	1,361,600
Ending	\$ (1,268,146)	\$ (249,587)

## Governmental Activities

Governmental activities decreased the Village's net position by \$1,018,559.

For the fiscal year ended May 31, 2015, revenues from governmental activities totaled \$11,776,044. Program revenues are 12% of this total and 88% is attributable to taxes and other sources. The major changes are as follows:

### Revenues:

- Real property tax revenues increased by \$667,159. This was the result of a higher tax levy.
- Operating grants and contributions decreased by \$144,418. This was due to additional revenue the Village received in the prior year of \$140,000 for the drug task force.
- Capital grants and contributions decreased by \$306,372. This was due to the Village receiving a SAYF grant in the prior year in the amount of \$279,000.

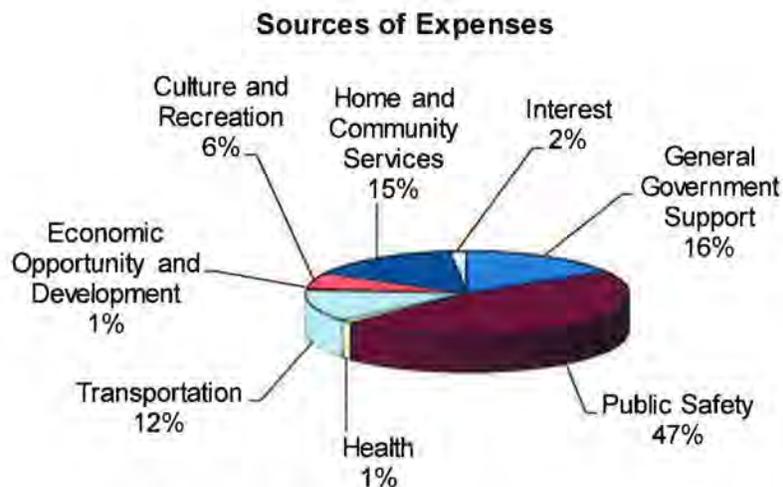
### Revenues by Sources



Total expenses for governmental activities were \$12,794,603.

## Expenses:

- General government support expenses decreased by \$198,660. The decrease is attributed to a decrease in reduced salaries from staff turnover.
- Public safety expenses decreased by \$448,723. Decrease in this area was largely due to the hydrant rentals and a decrease in overtime.



## Financial Analysis of the Village's Funds

### **Fund Balance Reporting**

Governmental Accounting Standards Board ("GASB") issued its 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 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned, and unassigned.

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

### **Governmental Funds**

The 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, assigned and 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 \$579,125 which included an unassigned deficit of \$1,139,311 in the Capital Projects Fund. \$969,214 of the total ending fund balance constitutes unassigned fund balance in the General Fund. None of the fund balance has been appropriated for use in the 2015-2016 budget. A portion of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for debt service (\$526,815) and to trusts (\$45,466).

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, fund balance of the General Fund was \$1,472,483. When the FY 2014-2015 General Fund budget was adopted, it anticipated not to use any of the fund balance. Actual results of operations resulted in an increase of Fund Balance of \$549,424.

Revenues and other financing sources were \$11,732,443 which was \$52,189 or .44% more than the final budget. Expenditures and other financing uses were \$11,183,019 which was \$497,235 or 4.25%, less than the final budget.

The major areas where revenues were more than budget were: The Village's non property taxes by \$30,346, licenses and permits by \$27,259, federal aid by \$37,373 and miscellaneous sources by \$23,865.

The major areas where the spending was less than budgeted was in the general government support expenditure category by \$66,983, public safety by \$46,857, transportation by \$87,325 and employee benefits by \$171,153.

The Capital Projects Fund has an unassigned deficit of \$1,139,311, which is normally due to the fact that this includes short-term bond anticipation notes. Liabilities for bond anticipation notes payable in the amount of \$1,794,500 are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. A majority of capital projects are financed by short and long term debt and State aid as of May 31, 2015.

### **General Fund Budgetary Highlights**

There was an increase between the original adopted budget and the final budget of \$15,000. Actual expenditures and other financing uses were \$497,235 less than the final budget.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

The Village's investment in capital assets for governmental activities at May 31, 2015, net of \$6,085,571 of accumulated depreciation, was \$8,772,776. This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

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

- New sidewalks
- Heatherdell road improvements
- King Street improvements
- Two small dump trucks
- Highway Superintendent Vehicle
- John Deere Tractor

Additional information on the Village's capital assets can be found in note 3, C in the notes to financial statements.

## Capital Assets

	Government Activities	
	2015	2014
Capital Assets, Not Being Depreciated		
Land	\$ 121,550	\$ 121,550
Capital Assets Being Depreciated		
Building and Improvements	9,038,116	9,009,748
Machinery and Equipment	4,473,396	4,292,059
Infrastructure	1,225,285	1,225,285
Total assets being depreciated	14,736,797	14,527,092
Less Accumulated Depreciation for		
Building and Improvements	2,891,736	2,590,816
Machinery and Equipment	2,976,326	3,022,685
Infrastructure	217,509	186,689
Total accumulated depreciation	6,085,571	5,800,190
Total Capital Assets being Depreciated, net	\$ 8,651,226	\$ 8,726,902
Capital Assets, net	\$ 8,772,776	\$ 8,848,452

### **Long-term Debt**

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$4,915,000. In accordance with New York State Law, the Village issues general obligation bonds, backed by the full faith and credit of the Village.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a "constitutional debt limit". This debt limit is calculated by taking 7% of the latest five-year average full valuation of all taxable real property within the Village. At May 31, 2015, the Village's five year average full valuation was \$957,410,976, thereby establishing a constitutional debt limit of \$67,018,768.

### **Other Post Employment Benefits**

The Government Accounting Standard Board Statement No. 45 required municipalities to account for Post Employment Benefits other than pensions such as health insurance coverage. The fiscal year ending May 31, 2009 was the implementation date for the Village of Ardsley. An actuarial firm was hired by the Village to compute the present value of the liability, which measures the value of OPEB benefits earned by employees during their tenure and likely to be paid during their retirement. This amount is substantial, however, under the present laws of the State of New York, there is no legal mechanism set up that would enable the funding of this obligation.

The Village's annual OPEB cost for 2014-15 was \$1,560,000. Contributions made on the pay as you go basis were \$310,000, leaving an increase of net OPEB obligation of \$1,250,000 for fiscal year 2015 and a total of \$5,550,000 net OPEB obligation as of May 31, 2015. This amount is reflected in the government-wide financial statements.

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

Increases for Police and Fire personal services due to a contractual raise in grades, contractual and supply expenses, increases in Employee Benefits and increased Debt Service costs, were all factors that were taken into consideration in development and preparation of the FY 2015-2016 budget.

The Village did not appropriate any of the general fund balance for expenditures in FY 2015-2016.

### **Requests for Information**

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Meredith S. Robson, Village of Ardsley, 507 Ashford Avenue, Ardsley, New York 10502.

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**Village of Ardsley, New York**

## Statement of Net Position

May 31, 2015

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 2,354,019
Investments	299
Receivables	
Taxes, net	86,937
Accounts	92,882
State and Federal aid	101,303
Due from other governments	500,987
Capital assets	
Not being depreciated	121,550
Being depreciated, net	8,651,226
Total Assets	<u>11,909,203</u>
<b>LIABILITIES</b>	
Accounts payable	267,872
Accrued liabilities	206,369
Due to retirement systems	202,853
Bond anticipation notes payable	1,794,500
Accrued interest payable	81,240
Non-current liabilities	
Due within one year	416,000
Due in more than one year	10,208,515
Total Liabilities	<u>13,177,349</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,063,276
Restricted	
Capital projects	678,633
Debt service	526,815
Special purpose	45,466
Unrestricted	<u>(4,582,336)</u>
Total Net Position	<u>\$ (1,268,146)</u>

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

Village of Ardsley, New York

Statement of Activities  
Year Ended May 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 2,062,070	\$ 8,940	\$ -	\$ -	\$ (2,053,130)
Public safety	5,954,035	478,160	-	-	(5,475,875)
Health	151,275	-	162,373	-	11,098
Transportation	1,577,901	49,448	96,569	-	(1,431,884)
Economic opportunity and development	60,988	-	-	-	(60,988)
Culture and recreation	820,654	351,366	29,045	(21,314)	(461,557)
Home and community services	1,941,738	270,846	4,910	3,429	(1,662,553)
Interest	225,942	-	-	1,949	(223,993)
<b>Total Governmental Activities</b>	<b>\$ 12,794,603</b>	<b>\$ 1,158,760</b>	<b>\$ 292,897</b>	<b>\$ (15,936)</b>	<b>(11,358,882)</b>
General revenues					
Real property taxes					9,225,830
Other tax items					
Interest and penalties on real property taxes					34,627
Non-property taxes					
Non-property tax distribution from County					636,962
Franchise fees					118,347
Utilities gross receipts taxes					95,037
Unrestricted use of money and property					539
Sale of property and compensation for loss					42,649
Unrestricted State aid					144,967
Miscellaneous					41,365
<b>Total General Revenues</b>					<b>10,340,323</b>
<b>Change in Net Position</b>					<b>(1,018,559)</b>
Net Position - Beginning					(249,587)
Net Position - Ending					<b>\$ (1,268,146)</b>

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

Village of Ardsley, New York

Balance Sheet  
 Governmental Funds  
 May 31, 2015

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 1,585,666	\$ 566,709	\$ 201,644	\$ 2,354,019
Investments	-	299	-	299
Taxes receivable, net of allowance for uncollectible amounts	86,937	-	-	86,937
Other receivables				
Accounts	92,852	-	30	92,882
State and Federal aid	101,303	-	-	101,303
Due from other governments	500,987	-	-	500,987
Due from other funds	21,982	245,854	10,401	278,237
	717,124	245,854	10,431	973,409
<b>Total Assets</b>	<b>\$ 2,389,727</b>	<b>\$ 812,862</b>	<b>\$ 212,075</b>	<b>\$ 3,414,664</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>				
<b>Liabilities</b>				
Accounts payable	\$ 172,710	\$ 3,501	\$ 91,661	\$ 267,872
Accrued liabilities	206,369	-	-	206,369
Due to other funds	249,604	19,131	9,502	278,237
Due to retirement systems	202,853	-	-	202,853
Bond anticipation notes payable	-	1,794,500	-	1,794,500
<b>Total Liabilities</b>	<b>831,536</b>	<b>1,817,132</b>	<b>101,163</b>	<b>2,749,831</b>
<b>Deferred inflows of resources</b>				
Deferred tax revenues	85,708	-	-	85,708
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>917,244</b>	<b>1,817,132</b>	<b>101,163</b>	<b>2,835,539</b>
<b>Fund balances (deficits)</b>				
Restricted	391,774	135,041	45,466	572,281
Assigned	111,495	-	65,446	176,941
Unassigned	969,214	(1,139,311)	-	(170,097)
<b>Total Fund Balances (Deficits)</b>	<b>1,472,483</b>	<b>(1,004,270)</b>	<b>110,912</b>	<b>579,125</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>	<b>\$ 2,389,727</b>	<b>\$ 812,862</b>	<b>\$ 212,075</b>	<b>\$ 3,414,664</b>

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

**Village of Ardsley, New York**

Reconciliation of Governmental Funds Balance Sheet to  
the Government-Wide Statement of Net Position  
Year Ended May 31, 2015

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Fund Balances - Total Governmental Funds	<u>\$ 579,125</u>
Amounts Reported for Governmental Activities in the Statement of Net Position is Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>8,772,776</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	<u>85,708</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(81,240)
Bonds payable	(4,915,000)
Compensated absences	(159,515)
Other post employment benefit obligations payable	<u>(5,550,000)</u>
	<u>(10,705,755)</u>
Net Position of Governmental Activities	<u>\$ (1,268,146)</u>

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

**Village of Ardsley, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended May 31, 2015

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>REVENUES</b>				
Real property taxes	\$ 9,198,554	\$ -	\$ -	\$ 9,198,554
Other tax items	34,627	-	-	34,627
Non-property taxes	850,346	-	-	850,346
Departmental income	845,066	-	23,885	868,951
Use of money and property	2,488	-	78	2,566
Licenses and permits	192,159	-	-	192,159
Fines and forfeitures	97,650	-	-	97,650
Sale of property and compensation for loss	42,649	-	-	42,649
State aid	247,002	(21,314)	1,780	227,468
Federal aid	162,373	-	-	162,373
Miscellaneous	41,365	3,429	26,631	71,425
<b>Total Revenues</b>	<b>11,714,279</b>	<b>(17,885)</b>	<b>52,374</b>	<b>11,748,768</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General government support	1,426,640	-	-	1,426,640
Public safety	3,410,023	-	-	3,410,023
Health	151,275	-	-	151,275
Transportation	586,322	-	-	586,322
Economic opportunity and development	35,893	-	-	35,893
Culture and recreation	188,325	-	372,408	560,733
Home and community services	1,145,344	-	-	1,145,344
Employee benefits	2,709,402	-	137,341	2,846,743
<b>Debt service</b>				
Principal	395,000	-	-	395,000
Interest	220,549	-	-	220,549
Capital outlay	-	1,110,019	-	1,110,019
<b>Total Expenditures</b>	<b>10,268,773</b>	<b>1,110,019</b>	<b>509,749</b>	<b>11,888,541</b>
Excess (Deficiency) of Revenues Over Expenditures	1,445,506	(1,127,904)	(457,375)	(139,773)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	18,164	421,580	492,666	932,410
Transfers out	(914,246)	(18,164)	-	(932,410)
<b>Total Other Financing Sources (Uses)</b>	<b>(896,082)</b>	<b>403,416</b>	<b>492,666</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>549,424</b>	<b>(724,488)</b>	<b>35,291</b>	<b>(139,773)</b>
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	923,059	(279,782)	75,621	718,898
End of Year	\$ 1,472,483	\$ (1,004,270)	\$ 110,912	\$ 579,125

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

**Village of Ardsley, 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, 2015

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (139,773)</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount may be less than the total capital outlay since capital outlay includes amounts under the capitalization threshold.	
Capital outlay expenditures	496,393
Depreciation expense	<u>(572,069)</u>
	<u>(75,676)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>27,276</u>
Long-term debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal paid on serial bonds	<u>395,000</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	(5,393)
Compensated absences	30,007
Other post employment benefit obligations	<u>(1,250,000)</u>
	<u>(1,225,386)</u>
Change in Net Position of Governmental Activities	<u>\$ (1,018,559)</u>

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

**Village of Ardsley, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
General Fund  
Year Ended May 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 9,258,218	\$ 9,258,218	\$ 9,198,554	\$ (59,664)
Other tax items	31,308	31,308	34,627	3,319
Non-property taxes	820,000	820,000	850,346	30,346
Departmental income	865,814	865,814	845,066	(20,748)
Use of money and property	8,000	8,000	2,488	(5,512)
Licenses and permits	164,900	164,900	192,159	27,259
Fines and forfeitures	115,000	115,000	97,650	(17,350)
Sale of property and compensation for loss	25,900	25,900	42,649	16,749
State aid	232,614	247,614	247,002	(612)
Federal aid	125,000	125,000	162,373	37,373
Miscellaneous	17,500	17,500	41,365	23,865
<b>Total Revenues</b>	<b>11,664,254</b>	<b>11,679,254</b>	<b>11,714,279</b>	<b>35,025</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,501,873	1,493,623	1,426,640	66,983
Public safety	3,425,311	3,456,880	3,410,023	46,857
Health	155,739	155,739	151,275	4,464
Transportation	605,857	673,647	586,322	87,325
Economic opportunity and development	42,073	37,359	35,893	1,466
Culture and recreation	202,872	195,763	188,325	7,438
Home and community services	1,132,742	1,159,564	1,145,344	14,220
Employee benefits	2,971,663	2,880,555	2,709,402	171,153
Debt service				
Principal	395,000	395,000	395,000	-
Interest	220,608	220,608	220,549	59
<b>Total Expenditures</b>	<b>10,653,738</b>	<b>10,668,738</b>	<b>10,268,773</b>	<b>399,965</b>
Excess of Revenues Over Expenditures	1,010,516	1,010,516	1,445,506	434,990
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,000	1,000	18,164	17,164
Transfers out	(1,011,516)	(1,011,516)	(914,246)	97,270
<b>Total Other Financing Uses</b>	<b>(1,010,516)</b>	<b>(1,010,516)</b>	<b>(896,082)</b>	<b>114,434</b>
Net Change in Fund Balance	-	-	549,424	549,424
<b>FUND BALANCE</b>				
Beginning of Year	-	-	923,059	923,059
End of Year	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,472,483</b>	<b>\$ 1,472,483</b>

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

**Village of Ardsley, New York**

Statement of Fiduciary Net Position  
May 31, 2015

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	<u>Agency</u>	<u>Pension Trust</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 36,452	\$ -
Investments, at fair value - Annuities	-	1,146,668
Accounts receivable	<u>81,901</u>	<u>-</u>
 Total Assets	 <u>118,353</u>	 <u>1,146,668</u>
 <b>LIABILITIES</b>		
Accounts Payable	30	-
Deposits	<u>118,323</u>	<u>-</u>
 Total Liabilities	 <u>118,353</u>	 <u>-</u>
 <b>NET POSITION</b>		
Held in trust for pension benefits (A schedule of funding progress for the plan is presented in the required supplementary information)	 <u>\$ -</u>	 <u>\$ 1,146,668</u>

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

**Village of Ardsley, New York**

Statement of Changes in Plan Net Position  
Pension Trust Fund - Service Awards Program  
Year Ended May 31, 2015

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Additions	
Pension contributions	\$ 60,000
Net change in fair value of investments	<u>40,048</u>
Total Additions	<u>100,048</u>
Deductions	
Pension benefits	37,019
Life insurance premiums	5,410
Administrative fee	<u>3,100</u>
Total Deductions	<u>45,529</u>
Net Increase in Plan Net Position	54,519
<b>NET POSITION</b>	
Beginning of Year	<u>1,092,149</u>
End of Year	<u>\$ 1,146,668</u>

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

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## Village of Ardsley, New York

Notes to Financial Statements  
May 31, 2015

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

The Village of Ardsley, New York ("Village") was established in 1896 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the Administrative Officer and the Chief Budget Officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

#### **A. Financial Reporting Entity**

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

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

#### **B. Government-Wide Financial Statements**

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

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

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

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

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the Village are as follows:

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

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

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

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. These include Pension Trust and Agency Funds. The Agency Fund accounts for employee payroll tax withholdings and deposits that are payable to other jurisdictions or individuals. The Pension Trust Fund is provided to account for the Village's Fire Service Awards Program.

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

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

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

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

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

**Deposits, Investments and Risk Disclosure**

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

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

The Village's investment policies are governed by State statutes. The Village has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that are not covered by depository insurance were not exposed to custodial credit risk at May 31, 2015.

**Investments** - The Village participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to General Municipal Law that meets the definition of a 2a7-like pool. In accordance with the provisions of General Municipal Law, Article 3A, CLASS has designated PT Asset Management, a subsidiary of Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies. The amount represents the amortized cost of the cooperative shares and is considered to approximate fair value. The Village's position in the pool is equal to the value of the pool shares. Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 999 18<sup>th</sup> Street, Suite 1230, Denver, CO 80202.

CLASS is rated AAAM by Standard & Poor's Ratings. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

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

Investments of the Pension Trust Fund are held with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. The amounts are

## Village of Ardsley, New York

Notes to Financial Statements (Continued)  
May 31, 2015

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

invested in various portfolios by the trustee. These investments are not subject to risk categorization.

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

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

**Due From/To Other Funds** - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2015, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	10-40
Machinery and equipment	5-10
Infrastructure	20-50

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

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

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

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

The Village reported deferred inflows of resources of \$85,708 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

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

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for capital projects, debt service and special purpose. The balance is classified as unrestricted.

**Fund Balances** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the

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

specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

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

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

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

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

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

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

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

**F. Encumbrances**

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

**G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates. The Village has not implemented an encumbrance system.

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 3, 2015.

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

**A. Budgetary Data**

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees may meet to discuss and review the tentative budget in a series of budget work sessions after March 20<sup>th</sup> and up to April 30<sup>th</sup>.
- c) The Board of Trustees must conduct a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for the General and Public Library funds.

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

- f) Budgets for the General and Public Library funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted by the Board of Trustees for the Special Purpose Fund.
- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in the General and Public Library funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

**B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2015 fiscal year was \$19,148,220 which exceeded the actual levy by \$9,890,002.

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

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

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board first enacts, by a vote of at least sixty percent of the total voting power of the Village Board, a local law to override such limit for such coming fiscal year.

**C. Capital Projects Fund Deficit**

The unassigned deficit in the Capital Projects Fund of \$1,139,311 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other projects where deficits exist where no bond anticipation notes are outstanding arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

**D. Expenditures in Excess of Budget**

The following capital project exceeded its budgetary provision by the amount indicated:

Police Vehicles and Equipment	\$ 7,000
Reconstruction of King Street Culvert	2,250
Police Vehicles	42,000
Village Hall Servers	994

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

**A. Taxes Receivable**

Taxes receivable at May 31, 2015 consisted of the following:

Current Year	\$ 116,067
Prior Years	<u>67,820</u>
	183,887
Allowance for uncollectible taxes	<u>(96,950)</u>
	<u>\$ 86,937</u>

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

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

The balances reflected as due from/to other funds at May 31, 2015 were as follows:

Fund	Due From	Due To
General	\$ 21,982	\$ 249,604
Capital Projects	245,854	19,131
Non-Major Governmental	10,401	9,502
	\$ 278,237	\$ 278,237

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

**C. Capital Assets**

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

	Balance June 1, 2014	Additions	Deletions	Balance May 31, 2015
Capital Assets, not being depreciated				
Land	\$ 121,550	\$ -	\$ -	\$ 121,550
Capital Assets, being depreciated				
Buildings and improvements	\$ 9,009,748	\$ 28,368	-	\$ 9,038,116
Machinery and equipment	4,292,059	468,025	286,688	4,473,396
Infrastructure	1,225,285	-	-	1,225,285
Total Capital Assets, being depreciated	14,527,092	496,393	286,688	14,736,797
Less Accumulated Depreciation for				
Buildings and improvements	2,590,816	300,920		2,891,736
Machinery and equipment	3,022,685	240,329	286,688	2,976,326
Infrastructure	186,689	30,820	-	217,509
Total Accumulated Depreciation	5,800,190	572,069	286,688	6,085,571
Total Capital Assets, being depreciated, net	\$ 8,726,902	\$ (75,676)	\$ -	\$ 8,651,226
Capital Assets, net	\$ 8,848,452	\$ (75,676)	\$ -	\$ 8,772,776

Village of Ardsley, New York

Notes to Financial Statements (Continued)  
 May 31, 2015

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

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

General Government Support	\$ 29,518
Public Safety	219,889
Transportation	172,898
Culture and Recreation	<u>149,764</u>
 Total Depreciation Expense	 <u>\$ 572,069</u>

**D. Pension Plans**

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") ("Systems"). These Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

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

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	20.3 %
	4 A15	20.3
	5 A15	16.6
	6 A15	10.9
	6 A15-2	11.0
PFRS	2 384D	27.3 %
	5 384D	26.1
	6 384D	15.4

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

	<u>ERS</u>	<u>PFRS</u>
2015	\$ 481,972	\$ 586,133
2014	424,051	917,913
2013	360,989	570,176

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

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

The current ERS contribution for the Village was charged to the funds identified below. The PFRS contribution was charged to the General Fund.

<u>Fund</u>	<u>Amount</u>
General	\$ 428,490
Public Library	<u>53,482</u>
	<u>\$ 481,972</u>

**E. Pension Trust - Service Awards Program**

The Village, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18 and upon earning 50 or more points in a calendar year after 1990 under the provisions of the Program point system, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a lifetime annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 40 years. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>January 1, 2015</u>
Retirees and beneficiaries currently receiving benefits	12
Terminated members entitled to but not yet receiving benefits	28
Active	47

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The asset valuation method is fair value. The assumed investment rate of return is 5.25% and there are no cost of living adjustments.

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

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

	Annual Required Contribution	Actual Contribution	Percentage of Annual Program Cost Contributed
2015	\$ 60,000	\$ 60,000	100.00 %
2014	70,000	70,000	100.00
2013	70,000	70,000	100.00

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

The current year contribution to the Program was charged to the General Fund.

**F. Short-Term Capital Borrowings - Bond Anticipation Notes**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2014	New Issues	Redemptions	Balance May 31, 2015
Library Reconstruction	2009	-	- %	\$ 242,250	\$ -	\$ 242,250	\$ -
Reconstruction of Ashford Avenue	2014	08/06/15	1.92	190,400	500,000	190,400	500,000
Safe Route to School	2014	08/06/15	1.87	284,600	-	-	284,600
Reconstruction of King Street Culvert	2014	08/06/15	1.87	134,000	-	26,800	107,200
Reconstruction of King Street Culvert	2014	08/06/15	1.92	-	69,100	-	69,100
Police Vehicle	2014	08/06/15	1.91	42,000	14,000	14,000	42,000
Police Vehicle	2014	08/06/15	1.87	-	28,000	-	28,000
Highway Equipment	2014	08/06/15	1.87	227,000	-	45,400	181,600
Village Hall Roof	2015	08/06/15	1.92	-	24,000	-	24,000
Bucket Truck	2015	08/06/15	1.91	-	100,000	-	100,000
Village Hall Servers	2015	08/06/15	1.91	-	36,000	-	36,000
Highway Equipment 2015	2015	08/06/15	1.91	-	422,000	-	422,000
				<u>\$ 1,120,250</u>	<u>\$ 1,193,100</u>	<u>\$ 518,850</u>	<u>\$ 1,794,500</u>

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

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

Interest expenditures of \$21,114 were recorded in the fund financial statements in the General Fund. Interest expense of \$30,174 was recorded in the government-wide financial statements.

**G. Long-Term Liabilities**

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2015:

	Balance June 1, 2014	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2015	Due Within One Year
Bonds Payable	\$ 5,310,000	\$ -	395,000	\$ 4,915,000	\$ 400,000
Compensated Absences	189,522	57,865	87,872	159,515	16,000
Other Post Employment Benefit Obligations Payable	4,300,000	1,560,000	310,000	5,550,000	-
	<u>\$ 9,799,522</u>	<u>\$ 1,617,865</u>	<u>\$ 792,872</u>	<u>\$ 10,624,515</u>	<u>\$ 416,000</u>

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

**Bonds Payable**

Bonds payable at May 31, 2015 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2015
Public Improvements	1997	\$ 2,206,000	October, 2017	4.8 - 5.125 %	\$ 180,000
Public Improvements	2006	5,219,200	August, 2031	4.0 - 5.000	3,745,000
Public Improvements	2012	1,211,500	March, 2027	2.0 - 2.750	990,000
					<u>\$ 4,915,000</u>

Interest expenditures of \$199,435 was recorded in the fund financial statements in the General Fund. Interest expense of \$195,768 was recorded in the government-wide financial statements for governmental activities.

## Village of Ardsley, New York

Notes to Financial Statements (Continued)  
May 31, 2015

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

#### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of May 31, 2015 including interest payments of \$1,411,176 are as follows:

<u>Year Ended May 31,</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 400,000	\$ 181,785
2017	400,000	163,960
2018	400,000	146,098
2019	300,000	131,910
2020	305,000	121,410
2021-2025	1,475,000	450,038
2026-2030	1,205,000	198,398
2031-2032	430,000	17,577
	<u>\$ 4,915,000</u>	<u>\$ 1,411,176</u>

#### **Compensated Absences**

Pursuant to collective bargaining agreements, employees of the Department of Public Works and non-union full-time employees may accumulate up to 175 days of sick time. Upon retirement, these employees will be compensated for 50% of unused sick time at their current salary level. Effective June 1, 1994, police employees have unlimited sick leave. Prior to this date, police employees could accumulate up to 150 days of sick time. Days accumulated as of June 1, 1994 were frozen and police employees, at retirement, separation of service or upon written notification, may receive payment for 50% of these accumulated days at their hourly rate. Compensatory time for overtime hours may be accumulated by police employees. At the option of the employee, payment will be made either through additional compensation or compensatory time. Payment is limited to 150 hours. Compensatory time for police officers may accumulate without limit. Employees will be paid for this time, at their option. However, requests for payment must be made prior to February 1<sup>st</sup> of each year. Vacation time for employees of the Department of Public Works may be carried over to the subsequent year, and upon separation of service, employees will be compensated for any unused days from the prior year. Vacation time for police and non-union employees is generally taken in the year earned and may not be accumulated.

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

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

The Village's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical

## Village of Ardsley, New York

Notes to Financial Statements (Continued)  
May 31, 2015

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

insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

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

Year Ended May 31,	
2016	8.50 %
2017	8.00
2018	7.50
2019	7.00
2020	6.50
2021	6.00
2022	5.50
2023 +	5.00

The amortization basis is the level percentage of payroll basis with an open amortization approach with 24 years remaining in the amortization period. The actuarial assumptions included a 4.5% investment rate of return, 3% inflation rate and 3% payroll growth rate. The Village currently has no assets set aside for the purpose of paying postemployment benefits. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of May 31, 2015 was as follows:

Active Employees	42
Retired Employees	<u>20</u>
	<u><u>62</u></u>

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

Amortization Component:	
Actuarial Accrued Liability as of June 1, 2014	\$ 16,310,000
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 16,310,000</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 4,470,000</u>
UAAL as a Percentage of Covered Payroll	<u>364.88%</u>
Annual Required Contribution	\$ 1,620,000
Interest on Net OPEB Obligation	190,000
Adjustment to Annual Required Contribution	<u>(250,000)</u>
Annual OPEB Cost	1,560,000
Contributions Made	<u>(310,000)</u>
Increase in Net OPEB Obligation	1,250,000
Net OPEB Obligation - Beginning of Year	<u>4,300,000</u>
Net OPEB Obligation - End of Year	<u>\$ 5,550,000</u>

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

Fiscal Year Ended May 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 1,560,000	19.87 %	\$ 5,550,000
2014	1,480,000	17.57	4,300,000
2013	1,410,000	21.28	3,080,000

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

**H. Revenues and Expenditures**

**Interfund Transfers**

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

Village of Ardsley, New York

Notes to Financial Statements (Continued)  
 May 31, 2015

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

Transfers Out	Transfers In			Total
	General Fund	Capital Projects Fund	Other Governmental Funds	
General Fund	\$ -	\$ 421,580	\$ 492,666	\$ 914,246
Capital Projects Fund	18,164	-	-	18,164
	<u>\$ 18,164</u>	<u>\$ 421,580</u>	<u>\$ 492,666</u>	<u>\$ 932,410</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures, 2) move amounts earmarked in the operating funds to fulfill commitments for the Public Library Fund and 3) move available amounts from the Capital Projects Fund to the General Fund when projects are complete.

**I. Net Position**

The components of net position are detailed below:

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

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

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

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

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

**Village of Ardsley, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

**J. Fund Balances**

	2015				2014			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
<b>Nonspendable</b>								
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ 11,125	\$ -	\$ -	\$ 11,125
Long term receivables	-	-	-	-	-	21,314	-	21,314
<b>Total Nonspendable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,125</b>	<b>21,314</b>	<b>-</b>	<b>32,439</b>
<b>Restricted</b>								
Special purpose	-	-	45,466	45,466	-	-	41,781	41,781
Debt service	391,774	135,041	-	526,815	389,825	135,041	-	524,866
<b>Total Restricted</b>	<b>391,774</b>	<b>135,041</b>	<b>45,466</b>	<b>572,281</b>	<b>389,825</b>	<b>135,041</b>	<b>41,781</b>	<b>566,647</b>
<b>Assigned</b>								
Contractual obligations	111,495	-	-	111,495	83,258	-	-	83,258
Non-Major Governmental Fund Public Library	-	-	65,446	65,446	-	-	33,840	33,840
<b>Total Assigned</b>	<b>111,495</b>	<b>-</b>	<b>65,446</b>	<b>176,941</b>	<b>83,258</b>	<b>-</b>	<b>33,840</b>	<b>117,098</b>
<b>Unassigned</b>	<b>969,214</b>	<b>(1,139,311)</b>	<b>-</b>	<b>(170,097)</b>	<b>438,851</b>	<b>(436,137)</b>	<b>-</b>	<b>2,714</b>
<b>Total Fund Balances</b>	<b>\$ 1,472,483</b>	<b>\$ (1,004,270)</b>	<b>\$ 110,912</b>	<b>\$ 579,125</b>	<b>\$ 923,059</b>	<b>\$ (279,782)</b>	<b>\$ 75,621</b>	<b>\$ 718,898</b>

## Village of Ardsley, New York

Notes to Financial Statements (Continued)

May 31, 2015

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

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

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

Assigned for Contractual Obligations - This is used to segregate a portion of fund balance of the General Fund for contractual obligations.

Unassigned fund balance in the General Fund represents amounts not classified as restricted or assigned. Unassigned fund balance in the Capital Projects Fund represent a deficit fund balance.

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

#### **A. Litigation**

The Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damages or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

#### **Contingencies**

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements may 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.

#### **B. Risk Management**

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains a general liability insurance policy with coverage up to \$1 million for each occurrence and an umbrella policy with coverage up to \$10 million. The public officials liability policy provides coverage up to \$1 million. The Village also purchases conventional workers' compensation insurance with coverage at statutory limits and medical insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Village of Ardsley, New York**

Notes to Financial Statements (Concluded)  
May 31, 2015

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**Note 5 - Subsequent Events**

The Village, in August 2015, issued public improvement serial bonds in the amount of \$3,364,370 due August 1, 2035 with interest ranging from 2.0% to 3.375%.

The Village, on August 4, 2015, issued bond anticipation notes in the amount of \$1,170,200 due August 4, 2016 and bearing interest at 0.93%.

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**Village of Ardsley, New York**

Required Supplementary Information - Schedule of Funding Progress  
Service Awards Program  
Last Six Fiscal Years

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<u>Actuarial Valuation Date January 1,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2010	\$ 520,728	\$ 1,110,063	\$ 589,335	46.91 %
2011	697,833	1,177,860	480,027	59.25
2012	720,345	1,255,336	534,991	57.38
2013	848,060	1,312,760	464,700	64.60
2014	1,074,145	1,392,701	318,556	77.13
2015	1,161,682	1,504,788	343,106	77.20

**Village of Ardsley, New York**

Required Supplementary Information - Schedule of Contributions  
Service Awards Program  
Last Six Fiscal Years

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<u>Year Ended May 31,</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2010	\$ 70,000	100 %
2011	70,000	100
2012	70,000	100
2013	70,000	100
2014	70,000	100
2015	60,000	100

**Village of Ardsley, New York**

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

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Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2012	\$ -	\$ 14,470,000	\$ 14,470,000	- %	\$ 3,990,000	362.66 %
June 1, 2013	-	15,460,000	15,460,000	-	4,040,000	382.67
June 1, 2014	-	16,310,000	16,310,000	-	4,470,000	364.88

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**Village of Ardsley, New York**General Fund  
Comparative Balance Sheet  
May 31,

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,585,666	\$ 505,519
Taxes receivable, net of allowance for uncollectible amounts of \$96,950 in 2015 and \$67,389 in 2014	<u>86,937</u>	<u>87,405</u>
Other receivables		
Accounts	92,852	90,856
State and Federal aid	101,303	61,606
Due from other governments	500,987	636,460
Due from other funds	<u>21,982</u>	<u>159,323</u>
	<u>717,124</u>	<u>948,245</u>
Prepaid expenditures	<u>-</u>	<u>11,125</u>
Total Assets	<u>\$ 2,389,727</u>	<u>\$ 1,552,294</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 172,710	\$ 219,067
Accrued liabilities	206,369	134,267
Due to other funds	249,604	-
Due to retirement systems	<u>202,853</u>	<u>217,469</u>
Total Liabilities	831,536	570,803
Deferred inflows of resources		
Deferred tax revenues	<u>85,708</u>	<u>58,432</u>
Total Liabilities and Deferred Inflows of Resources	<u>917,244</u>	<u>629,235</u>
Fund balance		
Nonspendable	-	11,125
Restricted	391,774	389,825
Assigned	111,495	83,258
Unassigned	<u>969,214</u>	<u>438,851</u>
Total Fund Balance	<u>1,472,483</u>	<u>923,059</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,389,727</u>	<u>\$ 1,552,294</u>

Village of Ardsley, New York

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 9,258,218	\$ 9,258,218	\$ 9,198,554	\$ (59,664)
Other tax items	31,308	31,308	34,627	3,319
Non-property taxes	820,000	820,000	850,346	30,346
Departmental income	865,814	865,814	845,066	(20,748)
Use of money and property	8,000	8,000	2,488	(5,512)
Licenses and permits	164,900	164,900	192,159	27,259
Fines and forfeitures	115,000	115,000	97,650	(17,350)
Sale of property and compensation for loss	25,900	25,900	42,649	16,749
State aid	232,614	247,614	247,002	(612)
Federal aid	125,000	125,000	162,373	37,373
Miscellaneous	17,500	17,500	41,365	23,865
<b>Total Revenues</b>	<b>11,664,254</b>	<b>11,679,254</b>	<b>11,714,279</b>	<b>35,025</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,501,873	1,493,623	1,426,640	66,983
Public safety	3,425,311	3,456,880	3,410,023	46,857
Health	155,739	155,739	151,275	4,464
Transportation	605,857	673,647	586,322	87,325
Economic opportunity and development	42,073	37,359	35,893	1,466
Culture and recreation	202,872	195,763	188,325	7,438
Home and community services	1,132,742	1,159,564	1,145,344	14,220
Employee benefits	2,971,663	2,880,555	2,709,402	171,153
Debt service				
Principal	395,000	395,000	395,000	-
Interest	220,608	220,608	220,549	59
<b>Total Expenditures</b>	<b>10,653,738</b>	<b>10,668,738</b>	<b>10,268,773</b>	<b>399,965</b>
Excess (Deficiency) of Revenues Over Expenditures	1,010,516	1,010,516	1,445,506	434,990
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,000	1,000	18,164	17,164
Transfers out	(1,011,516)	(1,011,516)	(914,246)	97,270
<b>TOTAL OTHER FINANCING USES</b>	<b>(1,010,516)</b>	<b>(1,010,516)</b>	<b>(896,082)</b>	<b>114,434</b>
Net Change in Fund Balance	-	-	549,424	549,424
<b>FUND BALANCE</b>				
Beginning of Year	-	-	923,059	923,059
End of Year	\$ -	\$ -	\$ 1,472,483	\$ 1,472,483

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,573,678	\$ 8,573,678	\$ 8,581,304	\$ 7,626
30,000	30,000	36,191	6,191
815,000	815,000	870,909	55,909
856,992	856,992	874,708	17,716
8,000	8,000	3,237	(4,763)
166,200	166,200	198,205	32,005
115,000	115,000	99,572	(15,428)
14,900	14,900	20,065	5,165
206,208	210,708	254,105	43,397
-	125,000	125,000	-
17,000	157,000	175,478	18,478
<u>10,802,978</u>	<u>11,072,478</u>	<u>11,238,774</u>	<u>166,296</u>
1,315,772	1,668,871	1,644,649	24,222
3,440,799	3,657,773	3,654,104	3,669
30,469	155,614	155,614	-
551,382	659,181	658,813	368
40,843	38,471	38,471	-
193,988	194,001	194,001	-
1,103,423	1,083,940	1,081,124	2,816
2,817,043	3,027,903	3,023,221	4,682
390,000	390,000	390,000	-
224,889	224,889	224,885	4
<u>10,108,608</u>	<u>11,100,643</u>	<u>11,064,882</u>	<u>35,761</u>
694,370	(28,165)	173,892	202,057
-	-	-	-
(694,370)	(733,970)	(733,970)	-
(694,370)	(733,970)	(733,970)	-
-	(762,135)	(560,078)	202,057
-	762,135	1,483,137	721,002
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 923,059</u>	<u>\$ 923,059</u>

**Village of Ardsley, New York**

General Fund  
 Schedule of Revenues and Other Financing Sources Compared to Budget  
 Year Ended May 31, 2015  
 (With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>REAL PROPERTY TAXES</b>	\$ 9,258,218	\$ 9,258,218	\$ 9,198,554	\$ (59,664)	\$ 8,581,304
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	31,308	31,308	34,627	3,319	36,191
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	615,000	615,000	636,962	21,962	638,715
Franchise fees	104,000	104,000	118,347	14,347	104,965
Utilities gross receipts taxes	101,000	101,000	95,037	(5,963)	127,229
	820,000	820,000	850,346	30,346	870,909
<b>DEPARTMENTAL INCOME</b>					
Tax advertising	300	300	336	36	336
Clerk fees	150	150	59	(91)	149
Police fees	450	450	344	(106)	245
Prisoner transportation	8,500	8,500	9,765	1,265	6,363
Special events	1,500	1,500	4,915	3,415	3,383
Safety inspection fees	2,000	2,000	2,275	275	5,025
Stop DWI fees	8,500	8,500	8,391	(109)	7,098
Occupant restraint fees	2,500	2,500	1,500	(1,000)	1,279
Registrar of Vital Statistics	1,800	1,800	1,630	(170)	2,180
Parking	41,600	41,600	47,436	5,836	47,846
Parks and recreation charges	49,600	49,600	59,110	9,510	60,180
Zoning fees	2,000	2,000	2,000	-	1,200
Planning board fees	1,500	1,500	1,750	250	-
Refuse removal	92,870	92,870	88,574	(4,296)	91,175
Fire protection	393,166	393,166	348,348	(44,818)	374,444
Snow removal	248	248	262	14	260
Programs for the aging	10,000	10,000	18,501	8,501	23,110
Other local governments	249,130	249,130	249,870	740	250,435
	865,814	865,814	845,066	(20,748)	874,708

**USE OF MONEY AND PROPERTY**

Earnings on investments	8,000	8,000	2,488	(5,512)	3,237
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**LICENSES AND PERMITS**

Permit fees	158,900	158,900	182,272	23,372	192,305
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Alarm fees	6,000	6,000	9,887	3,887	5,900
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	<u>164,900</u>	<u>164,900</u>	<u>192,159</u>	<u>27,259</u>	<u>198,205</u>
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**FINES AND FORFEITURES**

Fines and forfeited bail	115,000	115,000	97,650	(17,350)	99,572
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**SALE OF PROPERTY AND COMPENSATION FOR LOSS**

Sale of equipment	15,500	15,500	15,416	(84)	-
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Other minor sales	2,400	2,400	4,388	1,988	2,922
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Insurance recoveries	8,000	8,000	22,845	14,845	17,143
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	<u>25,900</u>	<u>25,900</u>	<u>42,649</u>	<u>16,749</u>	<u>20,065</u>
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**STATE AID**

Per capita	31,558	31,558	32,742	1,184	31,558
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Mortgage tax	95,000	95,000	112,225	17,225	103,284
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Consolidated Highway Improvement Aid	101,000	101,000	96,569	(4,431)	104,628
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Youth programs	556	556	556	-	556
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Community projects	4,500	19,500	4,910	(14,590)	14,079
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	<u>232,614</u>	<u>247,614</u>	<u>247,002</u>	<u>(612)</u>	<u>254,105</u>
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**FEDERAL AID**

Substance Abuse and Mental Health Services	125,000	125,000	162,373	37,373	125,000
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**MISCELLANEOUS**

Drug Task Force	-	-	-	-	140,000
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Other	17,500	17,500	41,365	23,865	35,478
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	<u>17,500</u>	<u>17,500</u>	<u>41,365</u>	<u>23,865</u>	<u>175,478</u>
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**TOTAL REVENUES**

	<u>11,664,254</u>	<u>11,679,254</u>	<u>11,714,279</u>	<u>35,025</u>	<u>11,238,774</u>
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**OTHER FINANCING SOURCES**

Transfers in					
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Capital Projects Fund	1,000	1,000	18,164	17,164	-
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	<u>1,000</u>	<u>1,000</u>	<u>18,164</u>	<u>17,164</u>	<u>-</u>
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**TOTAL REVENUES AND OTHER FINANCING SOURCES**

	<u>\$ 11,665,254</u>	<u>\$ 11,680,254</u>	<u>\$ 11,732,443</u>	<u>\$ 52,189</u>	<u>\$ 11,238,774</u>
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**Village of Ardsley, New York**

General Fund  
 Schedule of Expenditures and Other Financing Uses Compared to Budget  
 Year Ended May 31, 2015  
 (With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 10,100	\$ 9,685	\$ 9,685	\$ -	\$ 9,727
Justice	135,079	128,659	123,910	4,749	120,641
Mayor	5,250	5,456	5,456	-	5,418
Village Manager	187,977	261,384	259,130	2,254	186,249
Auditor	48,388	50,793	50,793	-	55,375
Treasurer	203,481	210,262	210,262	-	202,786
Village Clerk	137,636	133,377	133,339	38	135,187
Law	65,585	82,796	82,148	648	154,193
Buildings	64,295	59,310	58,394	916	77,659
Central garage	313,114	315,438	268,668	46,770	311,607
Unallocated insurance	141,052	158,226	158,226	-	139,604
Municipal association dues	5,584	4,167	4,167	-	5,584
Refund of real property taxes	20,000	14,378	14,378	-	194,140
Metropolitan commuter transportation mobility tax	20,765	17,067	17,067	-	17,317
Other	30,000	31,017	31,017	-	29,162
Contingency	113,567	11,608	-	11,608	-
	<u>1,501,873</u>	<u>1,493,623</u>	<u>1,426,640</u>	<u>66,983</u>	<u>1,644,649</u>
<b>PUBLIC SAFETY</b>					
Police	2,893,596	2,969,159	2,928,159	41,000	2,980,363
Traffic control	3,000	3,479	3,479	-	8,437
Fire department	367,442	328,691	322,835	5,856	512,089
Safety inspection	161,273	155,551	155,550	1	153,215
	<u>3,425,311</u>	<u>3,456,880</u>	<u>3,410,023</u>	<u>46,857</u>	<u>3,654,104</u>

**HEALTH**

Youth Council	<u>155,739</u>	<u>155,739</u>	<u>151,275</u>	<u>4,464</u>	<u>155,614</u>
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**TRANSPORTATION**

Street administration	135,518	135,518	135,518	-	131,555
Street maintenance	277,339	299,622	212,297	87,325	278,429
Snow removal	110,000	158,174	158,174	-	161,710
Street lighting	<u>83,000</u>	<u>80,333</u>	<u>80,333</u>	<u>-</u>	<u>87,119</u>

	<u>605,857</u>	<u>673,647</u>	<u>586,322</u>	<u>87,325</u>	<u>658,813</u>
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**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Programs for the aging	<u>42,073</u>	<u>37,359</u>	<u>35,893</u>	<u>1,466</u>	<u>38,471</u>
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**CULTURE AND RECREATION**

Parks	148,702	143,891	136,581	7,310	140,760
Community center	27,425	25,831	25,768	63	28,950
Historian	1,100	1,100	1,035	65	35
Celebrations	4,100	5,196	5,196	-	3,915
CATV committee	<u>21,545</u>	<u>19,745</u>	<u>19,745</u>	<u>-</u>	<u>20,341</u>

	<u>202,872</u>	<u>195,763</u>	<u>188,325</u>	<u>7,438</u>	<u>194,001</u>
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**HOME AND COMMUNITY SERVICES**

Planning	6,500	5,173	1,173	4,000	1,957
Environmental control	2,800	1,496	1,496	-	1,316
Zoning	1,700	1,465	1,192	273	1,757
Sanitary sewers	86,364	89,082	88,772	310	87,413
Storm sewers	95,890	103,135	102,907	228	90,979
Refuse and garbage	888,536	895,210	895,210	-	846,064
Shade trees	23,000	24,650	24,650	-	27,231
Community beautification	4,000	15,401	11,519	3,882	8,746
Street cleaning	<u>23,952</u>	<u>23,952</u>	<u>18,425</u>	<u>5,527</u>	<u>15,661</u>

	<u>1,132,742</u>	<u>1,159,564</u>	<u>1,145,344</u>	<u>14,220</u>	<u>1,081,124</u>
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(Continued)

**Village of Ardsley, New York**

General Fund

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

Year Ended May 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 410,303	\$ 437,236	\$ 428,490	\$ 8,746	\$ 424,051
State retirement - Police	783,000	674,975	586,133	88,842	917,913
Service awards program	60,000	60,000	60,000	-	70,000
Social security	386,250	386,250	357,340	28,910	353,086
Workers' compensation benefits	209,183	199,167	197,564	1,603	189,435
Life insurance	8,778	8,778	8,520	258	7,475
Disability insurance	1,910	1,910	(33)	1,943	1,409
Medical and dental insurance	1,112,239	1,112,239	1,071,388	40,851	1,059,852
	<u>2,971,663</u>	<u>2,880,555</u>	<u>2,709,402</u>	<u>171,153</u>	<u>3,023,221</u>
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	395,000	395,000	395,000	-	390,000
Interest					
Serial bonds	199,436	199,436	199,435	1	216,810
Bond anticipation notes	21,172	21,172	21,114	58	8,075
	<u>220,608</u>	<u>220,608</u>	<u>220,549</u>	<u>59</u>	<u>224,885</u>
	<u>615,608</u>	<u>615,608</u>	<u>615,549</u>	<u>59</u>	<u>614,885</u>
<b>TOTAL EXPENDITURES</b>	<u>10,653,738</u>	<u>10,668,738</u>	<u>10,268,773</u>	<u>399,965</u>	<u>11,064,882</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Capital Projects Fund	518,850	518,850	421,580	97,270	295,050
Public Library Fund	492,666	492,666	492,666	-	438,920
<b>TOTAL OTHER FINANCING USES</b>	<u>1,011,516</u>	<u>1,011,516</u>	<u>914,246</u>	<u>97,270</u>	<u>733,970</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 11,665,254</u>	<u>\$ 11,680,254</u>	<u>\$ 11,183,019</u>	<u>\$ 497,235</u>	<u>\$ 11,798,852</u>

Village of Ardsley, New York

Capital Projects Fund  
Comparative Balance Sheet  
May 31,

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 566,709	\$ 985,290
Investments	<u>299</u>	<u>299</u>
Receivables		
State and Federal aid	-	21,314
Due from other funds	<u>245,854</u>	<u>-</u>
	<u>245,854</u>	<u>21,314</u>
Total Assets	<u>\$ 812,862</u>	<u>\$ 1,006,903</u>
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 3,501	\$ 9,963
Due to other funds	19,131	156,472
Bond anticipation notes payable	<u>1,794,500</u>	<u>1,120,250</u>
Total Liabilities	<u>1,817,132</u>	<u>1,286,685</u>
Fund balance (deficit)		
Nonspendable	-	21,314
Restricted	135,041	135,041
Unassigned	<u>(1,139,311)</u>	<u>(436,137)</u>
Total Fund Deficit	<u>(1,004,270)</u>	<u>(279,782)</u>
Total Liabilities and Fund Deficit	<u>\$ 812,862</u>	<u>\$ 1,006,903</u>

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

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
State aid	\$ (21,314)	\$ 279,221
Miscellaneous	<u>3,429</u>	<u>9,528</u>
Total Revenues	(17,885)	288,749
<b>EXPENDITURES</b>		
Capital outlay	<u>1,110,019</u>	<u>965,798</u>
Deficiency of Revenues Over Expenditures	<u>(1,127,904)</u>	<u>(677,049)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	421,580	295,050
Transfers out	<u>(18,164)</u>	<u>-</u>
Total Other Financing Sources	<u>403,416</u>	<u>295,050</u>
Net Change in Fund Balance	(724,488)	(381,999)
<b>FUND BALANCE (DEFICIT)</b>		
Beginning of Year	<u>(279,782)</u>	<u>102,217</u>
End of Year	<u>\$ (1,004,270)</u>	<u>\$ (279,782)</u>

Village of Ardsley, New York

Capital Projects Fund  
 Project-Length Schedule  
 Inception of Project Through May 31, 2015

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Project	Authorization	Expenditures and Transfers	Unexpended Balance
Acquisition of Cable Equipment	\$ 197,355	\$ 146,872	\$ 50,483
Reconstruction of Ashford Avenue	1,465,234	1,323,335	141,899
Flood Control	134,000	124,000	10,000
Street Reconstruction	140,483	71,293	69,190
Library Reconstruction	2,301,822	1,948,865	352,957
Refuse Truck	185,000	184,756	244
Police Vehicles and Equipment	66,000	73,000	(7,000)
Solar Panel Roof	155,000	128,013	26,987
Reconstruction of King Street Culvert	203,100	205,350	(2,250)
Safe Route to School	540,767	322,923	217,844
Police Vehicles	70,000	84,000	(14,000)
Highway Equipment	227,000	220,000	7,000
Bucket Truck	100,000	98,561	1,439
Village Hall Servers	36,000	36,994	(994)
Village Hall Roof	24,000	20,910	3,090
Highway Equipment 2015	422,000	412,918	9,082
	<u>\$ 6,267,761</u>	<u>\$ 5,401,790</u>	<u>\$ 865,971</u>

Total Revenues	Fund Balance (Deficit) at May 31, 2015	Bond Anticipation Notes Out- standing at May 31, 2015
\$ 197,355	\$ 50,483	\$ -
965,234	(358,101)	500,000
134,000	10,000	-
140,483	69,190	-
2,117,227	168,362	-
185,000	244	-
52,800	(20,200)	-
128,013	-	-
26,800	(178,550)	176,300
256,167	(66,756)	284,600
14,000	(70,000)	70,000
45,400	(174,600)	181,600
-	(98,561)	100,000
-	(36,994)	36,000
-	(20,910)	24,000
-	(412,918)	422,000
<u>\$ 4,262,479</u>	<u>\$ (1,139,311)</u>	<u>\$ 1,794,500</u>

**Village of Ardsley, New York**

Non-Major Governmental Funds  
 Combining Balance Sheet  
 May 31, 2015  
 (With Comparative Totals for 2014)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2015	2014
<b>ASSETS</b>				
Cash and equivalents	\$ 79,359	\$ 122,285	\$ 201,644	\$ 70,968
Receivables				
Accounts	-	30	30	-
State and Federal aid	-	-	-	15,722
Due from other funds	-	10,401	10,401	23,510
	-	10,431	10,431	39,232
<b>Total Assets</b>	<b>\$ 79,359</b>	<b>\$ 132,716</b>	<b>\$ 212,075</b>	<b>\$ 110,200</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 4,411	\$ 87,250	\$ 91,661	\$ 8,218
Due to other funds	9,502	-	9,502	26,361
<b>Total Liabilities</b>	<b>13,913</b>	<b>87,250</b>	<b>101,163</b>	<b>34,579</b>
Fund balances				
Restricted	-	45,466	45,466	41,781
Assigned	65,446	-	65,446	33,840
<b>Total Fund Balances</b>	<b>65,446</b>	<b>45,466</b>	<b>110,912</b>	<b>75,621</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 79,359</b>	<b>\$ 132,716</b>	<b>\$ 212,075</b>	<b>\$ 110,200</b>

**Village of Ardsley, New York**

Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes  
 in Fund Balances  
 Year Ended May 31, 2015  
 (With Comparative Totals for 2014)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2015	2014
<b>REVENUES</b>				
Departmental income	\$ 23,885	\$ -	\$ 23,885	\$ 25,139
Use of money and property	48	30	78	86
State aid	1,780	-	1,780	16,980
Miscellaneous	-	26,631	26,631	35,986
<b>Total Revenues</b>	<b>25,713</b>	<b>26,661</b>	<b>52,374</b>	<b>78,191</b>
<b>EXPENDITURES</b>				
Current				
Culture and recreation	349,432	22,976	372,408	386,899
Employee benefits	137,341	-	137,341	100,169
<b>Total Expenditures</b>	<b>486,773</b>	<b>22,976</b>	<b>509,749</b>	<b>487,068</b>
Excess (Deficiency) of Revenues Over Expenditures	(461,060)	3,685	(457,375)	(408,877)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	492,666	-	492,666	438,920
<b>Net Change in Fund Balances</b>	<b>31,606</b>	<b>3,685</b>	<b>35,291</b>	<b>30,043</b>
<b>FUND BALANCES</b>				
Beginning of Year	33,840	41,781	75,621	45,578
End of Year	\$ 65,446	\$ 45,466	\$ 110,912	\$ 75,621

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**Village of Ardsley, New York**

Public Library Fund  
Comparative Balance Sheet  
May 31,

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 79,359	\$ 32,637
State and Federal aid receivable	-	15,722
Total Assets	<u>\$ 79,359</u>	<u>\$ 48,359</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 4,411	\$ 5,017
Due to other funds	<u>9,502</u>	<u>9,502</u>
Total Liabilities	13,913	14,519
Fund balance		
Assigned	<u>65,446</u>	<u>33,840</u>
Total Liabilities and Fund Balance	<u>\$ 79,359</u>	<u>\$ 48,359</u>

**Village of Ardsley, New York**

Public Library Fund  
 Comparative Schedule of Revenues, Expenditures  
 and Changes in Fund Balance  
 Years Ended May 31,

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Departmental income	\$ 24,870	\$ 24,870	\$ 23,885	\$ (985)
Use of money and property	100	100	48	(52)
State aid	1,681	1,681	1,780	99
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>26,651</b>	<b>26,651</b>	<b>25,713</b>	<b>(938)</b>
<b>EXPENDITURES</b>				
Current				
Culture and recreation	380,491	374,198	349,432	24,766
Employee benefits	138,826	145,119	137,341	7,778
<b>Total Expenditures</b>	<b>519,317</b>	<b>519,317</b>	<b>486,773</b>	<b>32,544</b>
Deficiency of Revenues Over Expenditures	(492,666)	(492,666)	(461,060)	31,606
<b>OTHER FINANCING SOURCES</b>				
Transfers in	492,666	492,666	492,666	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>31,606</b>	<b>31,606</b>
<b>FUND BALANCE</b>				
Beginning of Year	-	-	33,840	33,840
End of Year	\$ -	\$ -	\$ 65,446	\$ 65,446

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 25,610	\$ 25,610	\$ 25,139	\$ (471)
100	100	59	(41)
1,682	1,682	16,980	15,298
-	-	542	542
<u>27,392</u>	<u>27,392</u>	<u>42,720</u>	<u>15,328</u>
368,320	378,847	360,344	18,503
<u>97,992</u>	<u>100,178</u>	<u>100,169</u>	<u>9</u>
<u>466,312</u>	<u>479,025</u>	<u>460,513</u>	<u>18,512</u>
(438,920)	(451,633)	(417,793)	33,840
<u>438,920</u>	<u>438,920</u>	<u>438,920</u>	<u>-</u>
-	(12,713)	21,127	33,840
-	12,713	12,713	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,840</u>	<u>\$ 33,840</u>

**Village of Ardsley, New York**

Special Purpose Fund  
Comparative Balance Sheet  
May 31,

---

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 122,285	\$ 38,331
Accounts receivable	30	-
Due from other funds	<u>10,401</u>	<u>23,510</u>
Total Assets	<u>\$ 132,716</u>	<u>\$ 61,841</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 87,250	\$ 3,201
Due to other funds	<u>-</u>	<u>16,859</u>
Total Liabilities	87,250	20,060
Fund balance		
Restricted	<u>45,466</u>	<u>41,781</u>
Total Liabilities and Fund Balance	<u>\$ 132,716</u>	<u>\$ 61,841</u>

**Village of Ardsley, New York**

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

---

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Use of money and property	\$ 30	\$ 27
Miscellaneous	<u>26,631</u>	<u>35,444</u>
Total Revenues	26,661	35,471
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>22,976</u>	<u>26,555</u>
Excess of Revenues Over Expenditures	3,685	8,916
<b>FUND BALANCE</b>		
Beginning of Year	<u>41,781</u>	<u>32,865</u>
End of Year	<u>\$ 45,466</u>	<u>\$ 41,781</u>