

**Village of Buchanan, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2015



# Village of Buchanan, New York

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## **Independent Auditors' Report**

### **The Honorable Mayor and Board of Trustees of the Village of Buchanan, 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 Buchanan, 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.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type 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 and Water funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules 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  
January 5, 2016

## **Village of Buchanan**

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

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The Village of Buchanan, 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.

#### **Financial Highlights**

- On the government-wide financial statements, the assets of the Village exceeded liabilities at the close of the most recent fiscal year by \$218,273.
- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$381,331. This amount is inclusive of the Capital Projects Fund deficit of \$581,046.
- The Capital Projects Fund deficit arises due to 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 in the amount of \$750,000 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.
- The Village's total net position decreased by \$796,454. Total revenues of \$7,573,732 which included property taxes and other revenues increased by \$23,959 and expenses increased by \$64,194 as compared to the last fiscal year. The area of the greatest increase in revenues is largely attributable to the Capital Grants and Contributions.
- For the 2015-2016 fiscal year, the Village signed a new Payment in Lieu of Taxes ("PILOT") agreement with Entergy Nuclear Indian Point 2, LLC and Entergy Nuclear Indian Point 3, LLC. The new PILOT agreement is for ten years with payments starting at \$2,624,000, with slight increases each year. This is approximately a 33% increase compared to the PILOT received in fiscal year 2014-2015.

#### **Overview of 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 assets 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**

The fund financial statements provide detailed information about the most significant funds but not the Village as a whole. Some funds are required to be established by state law and by bond covenants. However, the Village has other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. All of the funds of the Village of Buchanan can be divided into two categories, government 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 four individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Water Fund, Special Purpose Fund and Capital Projects Fund which are considered major funds. The Village has no non-major funds.

Budgetary comparison statements have been provided for the General Fund and Water Fund within the basic financial statements to demonstrate compliance with the respective budgets. In the Capital Projects Fund, budgets are established on an individual project basis.

### **Fiduciary Fund**

The Village is the trustee, or fiduciary, for its Fire Service Awards Program, as well as certain amounts held on behalf of others. All of the Village's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. These resources are held by the Village purely in a custodial capacity.

## **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, assets exceeded liabilities by \$218,273 at the close of the most recent fiscal year.

The largest portion of the Village's net position, \$2,820,882, is its net investment in capital assets (land, buildings and improvements, infrastructure and machinery and equipment), 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 net 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.

The following table provides a summary of the Village's net position as of:

	May 31,	
	<u>2015</u>	<u>2014</u>
Current Assets	\$ 2,043,818	\$ 2,136,261
Capital Assets, net	<u>3,581,382</u>	<u>3,718,634</u>
<b>Total Assets</b>	<u>5,625,200</u>	<u>5,854,895</u>
Current Liabilities	1,599,173	1,642,356
Non-Current Liabilities	<u>3,807,754</u>	<u>3,197,812</u>
<b>Total Liabilities</b>	<u>5,406,927</u>	<u>4,840,168</u>
<b>Net Position</b>		
Net Investment in Capital Assets	2,820,882	2,903,070
Restricted	1,077,087	1,008,053
Unrestricted	<u>(3,679,696)</u>	<u>(2,896,396)</u>
<b>Total Net Position</b>	<u>\$ 218,273</u>	<u>\$ 1,014,727</u>

## Change in Net Position

The following table provides a summary of the Village's changes in net position as of:

	May 31,	
	2015	2014
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 3,107,342	\$ 3,178,785
Operating Grants and Contributions	2,937	19,088
Capital Grants and Contributions	67,473	49,614
Total Program Revenues	<u>3,177,752</u>	<u>3,247,487</u>
General Revenues		
Real Property Taxes	1,963,335	1,909,224
Other Tax Items	1,975,942	1,982,465
Non-Property Taxes	339,253	337,763
Unrestricted Use of Money and Property	1,381	3,746
Sale of Property and Compensation for Loss	34,664	-
Unrestricted State Aid	54,346	56,001
Miscellaneous	27,059	13,087
Total General Revenues	<u>4,395,980</u>	<u>4,302,286</u>
Total Revenues	<u>7,573,732</u>	<u>7,549,773</u>
<b>EXPENSES</b>		
Program Expenses		
General Government Support	1,103,644	1,054,695
Public Safety	1,925,970	1,821,883
Health	2,500	-
Transportation	1,352,987	1,284,864
Economic Opportunity and Development	2,850	2,850
Culture and Recreation	412,016	411,891
Home and Community Services	3,561,068	3,718,726
Interest	9,151	11,083
Total Expenses	<u>8,370,186</u>	<u>8,305,992</u>
Change in Net Position	(796,454)	(756,219)
Net Position - Beginning	<u>1,014,727</u>	<u>1,770,946</u>
Net Position - Ending	<u>\$ 218,273</u>	<u>\$ 1,014,727</u>

## Governmental Activities

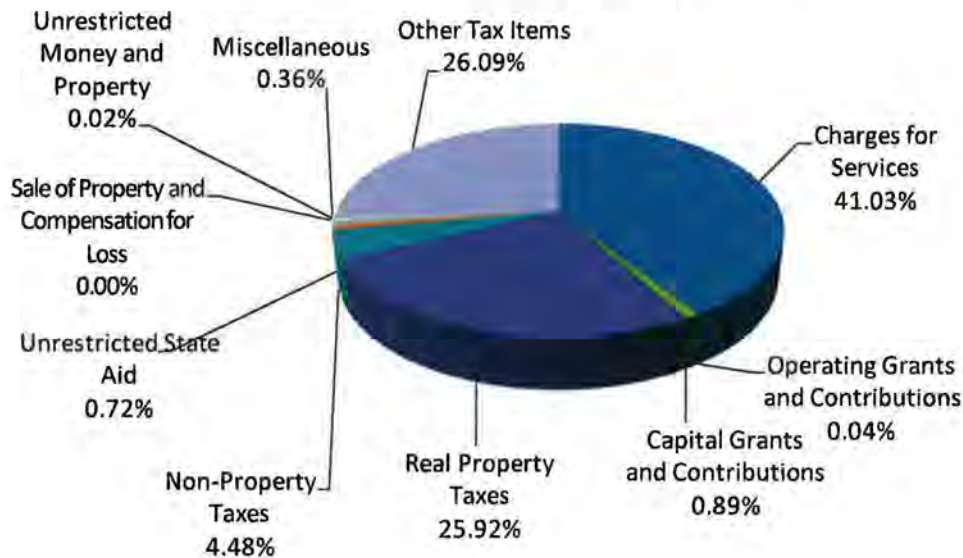
Governmental activities decreased the Village's net position by \$796,454.

For the year ending May 31, 2015, the Village's OPEB obligations of \$3,400,000 reflected as a liability on the government-wide financial statements and accordingly was the prime factor in the decrease in total net position.

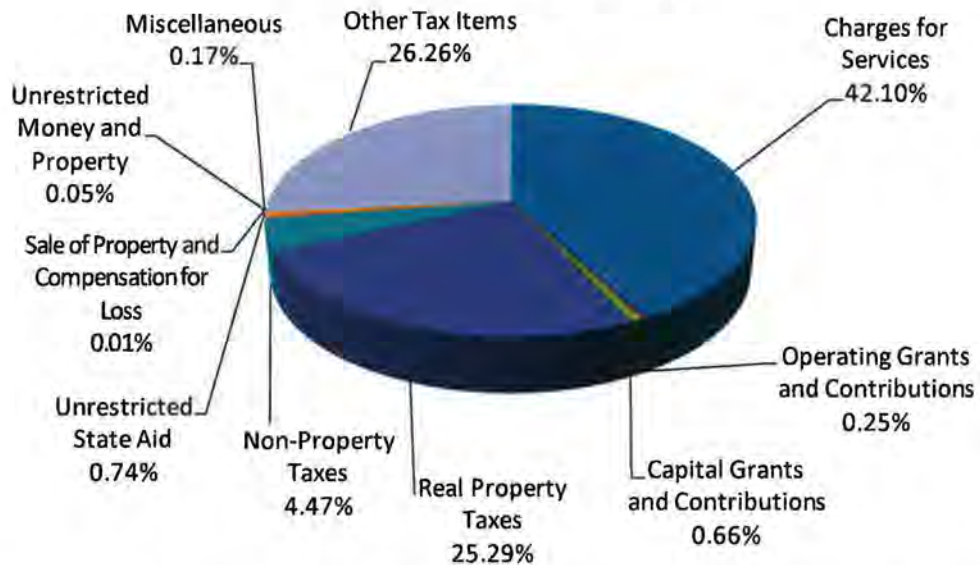
For the fiscal year ended May 31, 2015, revenues from governmental activities totaled \$7,573,732. Program revenues are 41% of this total and 59% is attributable to taxes and other sources. The major changes are as follows:

- Real property tax revenues increased by \$54,111. This was the result of a higher tax levy.
- Charges for service decreased by \$71,443. This was due mainly to fluctuations in the demand for water.

**Sources of Revenue for Fiscal Year 2015  
Governmental Activities**



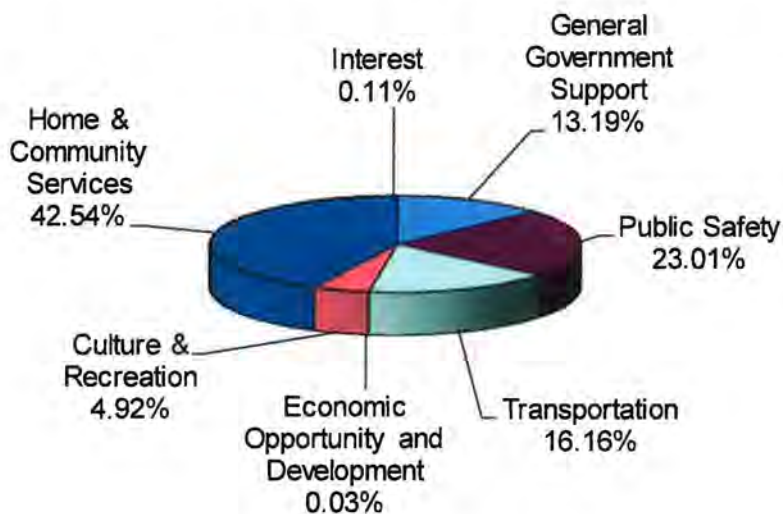
**Sources of Revenue for Fiscal Year 2014  
Governmental Activities**



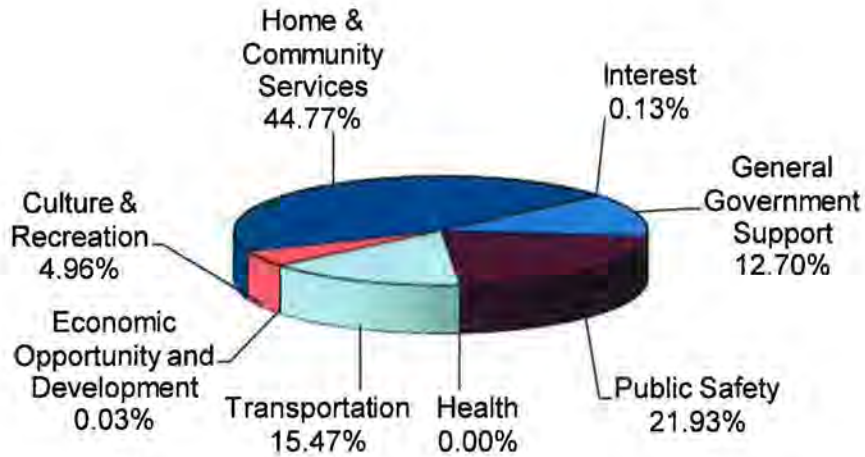
For the fiscal year ended May 31, 2015, expenses for governmental activities totaled \$8,370,186. The major changes are as follows:

- Increases in General Government Support and Public Safety are due to rising costs for Health Insurance.

**Sources of Expenses for Fiscal Year 2015  
Governmental Activities**



## Sources of Expenses for Fiscal Year 2014 Governmental Activities



### Financial Analysis of the Village's Funds

#### Fund Balance Reporting

It is noteworthy to report that the 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 are effective for financial statements for periods ending May 31, 2011 and moving forward. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

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

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

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

### **Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Village's governmental funds reported combined fund balances of \$381,331. Of the total, \$668,336 is restricted, \$182,780 is assigned (\$469,785) is unassigned.

### **General Fund Budgetary Highlights**

There was no change between the original adopted budget and the final budget. Actual expenditures and other financing uses were \$40,207 more than the final budget. Actual revenues and other financing sources were less than the final budget by \$49,174. The major area where revenues were less than the final budgetary estimates was in Charges for Services.

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

#### **Capital Assets**

The Village has invested in a broad range of capital assets, including police and sanitation equipment, buildings, park facilities, roads, and water and sewer lines. For the Village's governmental activities its capital assets, net of accumulated depreciation was \$3,581,382.

The following table represents a summary of the Village's capital assets as of:

<u>Asset</u>	<u>May 31,</u>	
	<u>2015</u>	<u>2014</u>
Land	\$ 478,000	\$ 478,000
Buildings	162,758	187,055
Infrastructure	2,605,862	2,708,564
Machinery and Equipment	<u>334,762</u>	<u>345,015</u>
Total (net of depreciation)	<u>\$ 3,581,382</u>	<u>\$ 3,718,634</u>

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

At the end of the current fiscal year, the Village had total outstanding bond anticipation notes (BAN's) of \$750,000.

At the end of the fiscal year, the Village had total loans outstanding of \$15,798. This amount is a combination of two loans, a NYS Emergency Loan Note and NYS Retirement System Loan.

**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 Kevin Hay, Village of Buchanan, 236 Tate Avenue, Buchanan, New York 10511.



**Village of Buchanan, New York**

## Statement of Net Position

May 31, 2015

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 1,321,472
Receivables	
Taxes, net	76,343
Accounts	172,469
Water rents	312,950
State and Federal aid	61,873
Due from other governments	98,711
Capital assets	
Not being depreciated	478,000
Being depreciated, net	3,103,382
	<u>5,625,200</u>
Total Assets	<u>5,625,200</u>
<b>LIABILITIES</b>	
Accounts payable	535,003
Accrued liabilities	12,293
Due to retirement systems	71,971
Unearned revenues	224,313
Bond anticipation notes payable	750,000
Accrued interest payable	5,593
Non-current liabilities	
Due within one year	49,488
Due in more than one year	3,758,266
	<u>5,406,927</u>
Total Liabilities	<u>5,406,927</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,820,882
Restricted for	
Capital projects	225,971
Repairs	440,479
Parklands	227,857
Water Fund	182,780
Unrestricted	(3,679,696)
	<u>\$ 218,273</u>
Total Net Position	<u>\$ 218,273</u>

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

Village of Buchanan, New York

Statement of Activities  
Year Ended May 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 1,103,644	\$ 29,795	\$ 970	\$ -
Public safety	1,925,970	75,566	100	-
Health	2,500	-	-	-
Transportation	1,352,987	-	-	61,873
Economic opportunity and development	2,850	-	-	-
Culture and recreation	412,016	89,471	165	-
Home and community services	3,561,068	2,912,510	1,702	5,600
Interest	9,151	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 8,370,186</b>	<b>\$ 3,107,342</b>	<b>\$ 2,937</b>	<b>\$ 67,473</b>

General Revenues

- Real property taxes
- Other tax items
  - Payments in lieu of taxes
  - Interest and penalties on real property taxes
- Non-property taxes
  - Non-property tax distribution from County
  - Franchise fees - Cable TV
- Unrestricted use of money and property
- Sale of property and compensation for loss
- Unrestricted State aid
- Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

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

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Net (Expense)  
Revenue and  
Changes in  
Net Position

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\$ (1,072,879)  
(1,850,304)  
(2,500)  
(1,291,114)  
  
(2,850)  
(322,380)  
(641,256)  
(9,151)

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(5,192,434)

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1,963,335

1,964,500  
11,442

319,053  
20,200  
1,381  
34,664  
54,346  
27,059

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4,395,980

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(796,454)

1,014,727

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\$ 218,273

Village of Buchanan, New York

Balance Sheet  
 Governmental Funds  
 May 31, 2015

	General	Water	Special Purpose
<b>ASSETS</b>			
Cash and equivalents	\$ 153,915	\$ 853,753	\$ 227,857
Taxes receivable, net of allowance for uncollectible taxes	76,343	-	-
Other receivables			
Accounts	172,469	-	-
Water rents	-	312,950	-
State and Federal aid	-	-	-
Due from other governments	98,711	-	-
Due from other funds	86,461	-	-
	357,641	312,950	-
<b>Total Assets</b>	<b>\$ 587,899</b>	<b>\$ 1,166,703</b>	<b>\$ 227,857</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>			
<b>Liabilities</b>			
Accounts payable	\$ 105,747	\$ 429,256	\$ -
Accrued liabilities	11,861	432	-
Due to retirement systems	71,971	-	-
Unearned revenues	167,296	-	-
Due to other funds	-	164,612	-
Bond anticipation notes payable	-	-	-
<b>Total Liabilities</b>	<b>356,875</b>	<b>594,300</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Real property taxes	68,907	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>425,782</b>	<b>594,300</b>	<b>-</b>
<b>Fund balances (deficits)</b>			
Restricted	50,856	389,623	227,857
Assigned	-	182,780	-
Unassigned	111,261	-	-
<b>Total Fund Balances (Deficits)</b>	<b>162,117</b>	<b>572,403</b>	<b>227,857</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>	<b>\$ 587,899</b>	<b>\$ 1,166,703</b>	<b>\$ 227,857</b>

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

Capital Projects	Total Governmental Funds
\$ 85,947	\$ 1,321,472
-	76,343
-	172,469
-	312,950
61,873	61,873
-	98,711
78,151	164,612
140,024	810,615
\$ 225,971	\$ 2,208,430

\$ -	\$ 535,003
-	12,293
-	71,971
57,017	224,313
-	164,612
750,000	750,000
807,017	1,758,192
-	68,907
807,017	1,827,099
-	668,336
-	182,780
(581,046)	(469,785)
(581,046)	381,331
\$ 225,971	\$ 2,208,430

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**Village of Buchanan, New York**

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

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Fund Balances - Total Governmental Funds	<u>\$ 381,331</u>
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>3,581,382</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>68,907</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(5,593)
Loans payable	(15,798)
Compensated absences	(391,956)
Other post employment benefit obligations payable	<u>(3,400,000)</u>
	<u>(3,813,347)</u>
Net Position of Governmental Activities	<u><u>\$ 218,273</u></u>

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

**Village of Buchanan, New York**

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

	General	Water	Special Purpose
<b>REVENUES</b>			
Real property taxes	\$ 1,963,379	\$ -	\$ -
Other tax items	1,975,942	-	-
Non-property taxes	339,253	-	-
Departmental income	314,785	2,730,246	-
Use of money and property	1,634	839	165
Licenses and permits	28,795	-	-
Fines and forfeitures	33,516	-	-
Sale of property and compensation for loss	34,664	-	-
State aid	55,316	-	-
Miscellaneous	27,159	610	-
<b>Total Revenues</b>	<b>4,774,443</b>	<b>2,731,695</b>	<b>165</b>
<b>EXPENDITURES</b>			
Current			
General government support	713,411	-	-
Public safety	1,123,951	-	-
Health	2,500	-	-
Transportation	690,677	-	-
Economic opportunity and development	2,850	-	-
Culture and recreation	241,260	-	-
Home and community services	942,274	2,109,583	-
Employee benefits	1,694,824	6,489	-
Debt service			
Principal	18,549	-	-
Interest	8,528	-	-
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>5,438,824</b>	<b>2,116,072</b>	<b>-</b>
Excess (Deficiency) of Revenues Over Expenditures	(664,381)	615,623	165
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	625,000	-	-
Transfers out	(50,000)	(625,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>575,000</b>	<b>(625,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(89,381)</b>	<b>(9,377)</b>	<b>165</b>
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	251,498	581,780	227,692
End of Year	\$ 162,117	\$ 572,403	\$ 227,857

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



Capital Projects	Total Governmental Funds
\$ -	\$ 1,963,379
-	1,975,942
-	339,253
-	3,045,031
-	2,638
-	28,795
-	33,516
-	34,664
61,873	117,189
5,600	33,369
<u>67,473</u>	<u>7,573,776</u>
-	713,411
-	1,123,951
-	2,500
-	690,677
-	2,850
-	241,260
-	3,051,857
-	1,701,313
-	18,549
-	8,528
<u>67,473</u>	<u>67,473</u>
<u>67,473</u>	<u>7,622,369</u>
-	(48,593)
50,000	675,000
-	(675,000)
<u>50,000</u>	<u>-</u>
50,000	(48,593)
<u>(631,046)</u>	<u>429,924</u>
<u>\$ (581,046)</u>	<u>\$ 381,331</u>

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**Village of Buchanan, 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>\$ (48,593)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.</p>	
Capital outlay expenditures	108,732
Depreciation expense	<u>(245,984)</u>
	<u>(137,252)</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>(44)</u>
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
Principal paid on loans	<u>18,549</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued interest	(623)
Compensated absences	(18,491)
Other post employment benefit obligations	<u>(610,000)</u>
	<u>(629,114)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (796,454)</u></u>

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

**Village of Buchanan, New York**

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

General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 1,963,367	\$ 1,963,367	\$ 1,963,379	\$ 12
Other tax items	1,972,500	1,972,500	1,975,942	3,442
Non-property taxes	332,000	332,000	339,253	7,253
Departmental income	408,000	408,000	314,785	(93,215)
Use of money and property	12,000	12,000	1,634	(10,366)
Licenses and permits	22,450	22,450	28,795	6,345
Fines and forfeitures	25,000	25,000	33,516	8,516
Sale of property and compensation for loss	13,900	13,900	34,664	20,764
State aid	48,000	48,000	55,316	7,316
Federal aid	300	300	-	(300)
Miscellaneous	11,100	11,100	27,159	16,059
<b>Total Revenues</b>	<b>4,808,617</b>	<b>4,808,617</b>	<b>4,774,443</b>	<b>(34,174)</b>
<b>EXPENDITURES</b>				
Current				
General government support	693,499	662,293	713,411	(51,118)
Public safety	1,099,100	1,118,898	1,123,951	(5,053)
Health	2,500	2,500	2,500	-
Transportation	697,300	688,492	690,677	(2,185)
Economic opportunity and development	3,000	2,850	2,850	-
Culture and recreation	254,545	240,948	241,260	(312)
Home and community services	973,150	966,555	942,274	24,281
Employee benefits	1,639,500	1,688,428	1,694,824	(6,396)
Debt service				
Principal	5,064	5,064	18,549	(13,485)
Interest	15,959	7,589	8,528	(939)
<b>Total Expenditures</b>	<b>5,383,617</b>	<b>5,383,617</b>	<b>5,438,824</b>	<b>(55,207)</b>
Excess (Deficiency) of Rev- enues Over Expenditures	(575,000)	(575,000)	(664,381)	(89,381)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	640,000	640,000	625,000	(15,000)
Transfers out	(65,000)	(65,000)	(50,000)	15,000
<b>Total Other Financing Sources (Uses)</b>	<b>575,000</b>	<b>575,000</b>	<b>575,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(89,381)</b>	<b>(89,381)</b>
<b>FUND BALANCES</b>				
Beginning of Year	-	-	251,498	251,498
End of Year	\$ -	\$ -	\$ 162,117	\$ 162,117

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

Water Fund

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
2,738,340	2,738,340	2,730,246	(8,094)
15,000	15,000	839	(14,161)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	610	610
<u>2,753,340</u>	<u>2,753,340</u>	<u>2,731,695</u>	<u>(21,645)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,121,840	2,121,840	2,109,583	12,257
6,500	6,500	6,489	11
-	-	-	-
-	-	-	-
<u>2,128,340</u>	<u>2,128,340</u>	<u>2,116,072</u>	<u>12,268</u>
<u>625,000</u>	<u>625,000</u>	<u>615,623</u>	<u>(9,377)</u>
-	-	-	-
<u>(625,000)</u>	<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>
<u>(625,000)</u>	<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>
-	-	(9,377)	(9,377)
-	-	581,780	581,780
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 572,403</u>	<u>\$ 572,403</u>

**Village of Buchanan, New York**

Statement of Net Position  
May 31, 2015

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 116,050
Accounts receivable	7,549
Investments	
Group annuities	<u>575,661</u>
Total Assets	<u>699,260</u>
<b>LIABILITIES</b>	
Deposits	123,599
Service awards program payable	<u>575,661</u>
Total Liabilities	<u>\$ 699,260</u>

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

**Village of Buchanan, New York**

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

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<b>ADDITIONS</b>	\$ -
<b>DEDUCTIONS</b>	-
Change in Net Position	-
<b>NET POSITION</b>	
Beginning of Year, as reported	528,636
Prior Period Adjustment	<u>(528,636)</u>
Beginning of Year, as restated	-
End of Year	<u>\$ -</u>

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

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## Village of Buchanan, New York

Notes to Financial Statements  
May 31, 2015

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

The Village of Buchanan, New York ("Village") was established in 1928 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Village conform to generally accepted accounting principles for local 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 the 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, 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 and is used to account for and report all financial resources not accounted for and reported in another fund.

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 major special revenue funds of the Village are as follows:

Water Fund - The Water Fund is used to record the water utility operations of the Village, which renders services on a user charge basis to the general public.

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

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.

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* but 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.

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

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

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 were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2015.

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

**Investments** - Investments of the Agency Fund are held with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. 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 Village taxes and also has the responsibility for conducting tax lien sales and in-rem foreclosure proceedings.

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

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

**Capital Assets** - Capital assets, which include property, plant and equipment 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 \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

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 the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are 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	5-40
Infrastructure	10-60
Machinery and equipment	5-10

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 funds balance sheet.

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$147,376 for the unexpended portion of a prior year donation for recreational purposes, \$13,043 for New York State aid for clock maintenance and \$6,877 for other revenues received in advance in the General Fund. The Village also reported \$57,017 for insurance recoveries for the sludge tank roof repairs received in advance in the Capital Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

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

The Village reported deferred inflows of resources of \$68,907 for uncollected 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. Bond issuance costs are expended as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. 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, as applicable. A liability for these amounts is reported in the governmental funds only if the liability matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Net Position** - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on 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, repairs, parklands and the Water Fund. The balance is classified as unrestricted.

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

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) 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 the General Municipal Law of the State of New York.

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

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 adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Village removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Village Board of Trustees.

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

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

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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the all budgeted governmental 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

## Village of Buchanan, New York

Notes to Financial Statements (Continued)  
May 31, 2015

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

also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### **H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is January 5, 2016.

### **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 31st, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General and Water funds.
- f) Budgets for General and Water 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 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 modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General and Water funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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



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

**B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2014-2015 was \$5,902,439 which exceeded the actual levy by \$3,939,072.

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

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

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

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

**D. Expenditures in Excess of Budget**

The following categories of expenditures exceeded their budgetary provisions by the amounts indicated:

	<u>Variance with Final Budget Positive (Negative)</u>
General Fund	
General Government Support	
Town Board	\$ (32)
Manager	(245)
Treasurer	(422)
Engineer	(45,673)
Buildings	(433)
Metropolitan Transportation Authority payroll tax	(4,313)
Public Safety	
Police	(5,053)
Transportation	
Street maintenance	(2,185)
Culture and Recreation	
Parks	(258)
Community center	(54)
Home and Community Services	
Zoning Board of Appeals	(336)
Sewer system	(275)
Refuse and garbage	(804)
Employee Benefits	
Social security benefits	(843)
Other	(38,814)
Debt Service	
Loans - Principal	(13,485)
Loans - Interest	(939)
Water Fund	
Home and Community Services	
Pumping, supply and power	(3,848)

In addition the General Fund exceeded its entire budget by \$40,207.

**E. Capital Projects Fund Deficit**

The unassigned deficit in the Capital Projects Fund of \$581,046 arises 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. This deficit will be reduced and eliminated as the bond

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

**F. Prior Period Adjustment**

During the current fiscal year, the Village determined that activities presented in the Pension Trust Funds for the Fire Service Awards Program are more properly reflected in the Agency Fund in accordance with the provisions of GASB Statement No. 73, since these assets are subject to the claims of the Village's general creditors. Accordingly, a prior period adjustment of \$528,636 was recorded to eliminate the net position of the Pension Trust Fund.

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

**A. Taxes Receivable**

Taxes receivable consisted of the following:

Village taxes - Current year	\$	25,996
Tax liens and overdue taxes		<u>51,024</u>
Total Taxes		77,020
Less - Allowance for uncollectible taxes		<u>(677)</u>
Taxes Receivable	\$	<u>76,343</u>

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

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 86,461	\$ -
Water	-	164,612
Capital Projects	<u>78,151</u>	<u>-</u>
	<u>\$ 164,612</u>	<u>\$ 164,612</u>

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.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

**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	\$ 478,000	\$ -	\$ -	\$ 478,000
Capital assets, being depreciated				
Buildings and improvements	\$ 1,819,712	\$ -	\$ -	\$ 1,819,712
Infrastructure	6,946,734	61,873	-	7,008,607
Machinery and equipment	1,306,950	46,859	124,380	1,229,429
<b>Total Capital Assets, being depreciated</b>	<b>10,073,396</b>	<b>108,732</b>	<b>124,380</b>	<b>10,057,748</b>
Less accumulated depreciation for				
Buildings and improvements	1,632,657	24,297	-	1,656,954
Infrastructure	4,238,170	164,575	-	4,402,745
Machinery and equipment	961,935	57,112	124,380	894,667
<b>Total Accumulated Depreciation</b>	<b>6,832,762</b>	<b>245,984</b>	<b>124,380</b>	<b>6,954,366</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>\$ 3,240,634</b>	<b>\$ (137,252)</b>	<b>\$ -</b>	<b>\$ 3,103,382</b>
<b>Capital assets, net</b>	<b>\$ 3,718,634</b>	<b>\$ (137,252)</b>	<b>\$ -</b>	<b>\$ 3,581,382</b>

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

General Government Support	\$ 12,597
Public Safety	7,239
Transportation	194,277
Culture and Recreation	16,362
Home and Community Services	15,509
<b>Total Depreciation Expense</b>	<b>\$ 245,984</b>

**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

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

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

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

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	20.1 %
	4 A15	20.1
	5 A15	16.4
	6 A15	10.8
PFRS	2 384D	27.3

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

	<u>ERS</u>	<u>PFRS</u>
2015	\$ 273,493	\$ 238,091
2014	269,653	218,663
2013	254,590	206,699

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year. The current ERS and PFRS contributions were charged to the General Fund.

**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. Administrative costs are paid by the Village from the Pension Trust Fund. Separate financial statements are not issued by the program.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>February 28, 2015</u>
Retirees and beneficiaries currently receiving benefits	1
Terminated members entitled to but not yet receiving benefits	1
Active - non-vested	13
Active - vested	23

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 4.75% and there are no cost of living adjustments.

**F. Short-Term Capital Borrowings**

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

<u>Purpose</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 1, 2014</u>	<u>Redemptions</u>	<u>Balance May 31, 2015</u>
Reconstruction and resurfacing of various roads	10/9/14	10/9/15	1.125 %	\$ 800,000	\$ 50,000	\$ 750,000

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. Interest expenditures of \$7,200 were recorded in the fund financial statements in the General Fund. Interest expense of \$8,078 was recorded in the government-wide financial statements.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

**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
Loans Payable	\$ 34,347	\$ -	\$ 18,549	\$ 15,798	\$ 10,488
Compensated Absences	373,465	55,491	37,000	391,956	39,000
Other Post Employment Benefit Obligations Payable	2,790,000	960,000	350,000	3,400,000	-
	<u>\$ 3,197,812</u>	<u>\$ 1,015,491</u>	<u>\$ 405,549</u>	<u>\$ 3,807,754</u>	<u>\$ 49,488</u>

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

**New York State Emergency Services Loan**

On February 21, 1997, funds were issued, in the amount of \$85,000, to the Village under a loan agreement with the NYS Department of Emergency Services Revolving Loan Fund. Under this agreement, the Village will use these funds to purchase firefighting apparatus. The Village will be required to make annual installments of interest and principal totaling \$5,453, including interest, on the anniversary date (February 21) of the loan. The loan is for a term of 20 years and carries an annual interest rate of 2.50%.

The outstanding balance of the loan as of May 31, 2015 was \$10,500.

Interest expenditures of \$389 were recorded in the fund financial statements. Interest expense of \$358 was recorded in the government-wide financial statements.

**New York State Loan Payable - Retirement**

The State Legislature enacted Chapter 260 of the Laws of 2004. This chapter authorized local governments to amortize the portion of their respective 2004 contribution which exceeded 7.0% of covered payroll, over a ten year period, commencing in 2005. The amortization payment would include interest at 5% per annum. The Village elected to amortize the maximum allowable ERS contribution. The ERS amount required to be amortized for the Village during 2015 was \$8,863, including interest and was charged to expenditures in the General Fund. There is no balance due as of May 31, 2015.

The State Legislature enacted Chapter 260 of the Laws of 2004. This chapter authorized local governments to amortize the portion of their respective 2005 contribution which exceeded 9.5% of covered payroll, over a ten year period, commencing in 2006. The amortization payment would include interest at 5% per annum. The Village elected to amortize the maximum allowable ERS and PFRS contributions. The ERS amount required to be amortized for the Village during 2015 was \$1,849 including interest and was charged to expenditures in the General Fund. The PFRS amount required to be amortized during 2015 was \$3,712, including interest. This amount

## Village of Buchanan, New York

Notes to Financial Statements (Continued)  
May 31, 2015

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

was also charged to expenditures in the General Fund. The balance due at May 31, 2015 was \$1,761 for ERS and \$3,537 for PFRS.

Interest expenditures of \$939 were recorded in the fund financial statements. Interest expense of \$715 was recorded in the government-wide financial statements.

#### Payments to Maturity

The annual requirements to amortize all debt outstanding as of May 31, 2015 including interest payments of \$672 are as follows:

Year Ending May 31,	New York State Loan - Emergency Services		New York State Loan - Retirement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 5,190	\$ 263	\$ 5,298	\$ 266	\$ 10,488	\$ 529
2017	5,310	143	-	-	5,310	143
	<u>\$ 10,500</u>	<u>\$ 406</u>	<u>\$ 5,298</u>	<u>\$ 266</u>	<u>\$ 15,798</u>	<u>\$ 672</u>

#### Compensated Absences

Pursuant to collective bargaining agreements, employees covered by the Local 456 International Brotherhood of Teamsters contract may accumulate an unlimited amount of sick time. Upon retirement, these employees will be compensated for a sliding scale percentage of unused sick time at their current salary level up to a maximum of 180 days. Employees covered under the Police Association contract can accumulate sick leave up to a maximum of 185 days and are also paid on a sliding scale percentage of unused sick time at their current salary level. Vacation time for all employees can be accumulated to a maximum of 10 days.

#### Other Post Employment Benefit Obligations

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing post employment health care benefits is shared between the Village and the retired employee. Substantially all of the Village's employees may become eligible for 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 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



**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2015

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

projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

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

Year Ended May 31,	
2016	9.5 %
2017	9.0
2018	8.5
2019	8.0
2020	7.5
2021	7.0
2022	6.5
2023	6.0
2024	5.5
2025+	5.0

The amortization basis is the level of percentage of payroll method with a closed amortization approach with 25 years remaining in the amortization period. The actuarial assumptions include a 4.5% investment rate of return. The Village currently has no assets set aside for the purpose of paying post employment benefits. The projected unit credit method utilized was the entry age method.

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

Active Employees	20
Retired Employees	<u>22</u>
	<u><u>42</u></u>

**Village of Buchanan, 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	\$ 12,790,000
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 12,790,000</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 2,140,000</u>
UAAL as a Percentage of Covered Payroll	<u>597.66%</u>
Annual Required Contribution	\$ 990,000
Interest on Net OPEB Obligation	130,000
Adjustment to Annual Required Contribution	<u>(160,000)</u>
Annual OPEB Cost	960,000
Contributions Made	<u>(350,000)</u>
Increase in Net OPEB Obligation	610,000
Net OPEB Obligation - Beginning of Year	<u>2,790,000</u>
Net OPEB Obligation - End of Year	<u>\$ 3,400,000</u>

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

Fiscal Year Ended May 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 900,000	37.78 %	\$ 2,200,000
2014	930,000	36.56	2,790,000
2015	960,000	36.46	3,400,000

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 Buchanan, New York**

Notes to Financial Statements (Continued)  
 May 31, 2015

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

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	
General Fund	\$ -	\$ 50,000	\$ 50,000
Water Fund	625,000	-	625,000
	<u>\$ 625,000</u>	<u>\$ 50,000</u>	<u>\$ 675,000</u>

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

**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, less unexpended bond proceeds and unrestricted interest earnings.

*Restricted for Repairs* - the component of net position that has been established pursuant to Section 6d of General Municipal Law to pay the cost of major repairs to Village assets.

*Restricted for Parklands* - the component of net position that has been established pursuant to New York State law. This amount represents funds received by the Village in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreational purposes.

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

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

Village of Buchanan, 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	Water Fund	Special Purpose Fund	Capital Projects Fund	Total	General Fund	Water Fund	Special Purpose Fund	Capital Projects Fund	Total
Nonspendable										
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,814	\$ -	\$ -	\$ -	\$ 38,814
Restricted										
Repairs	50,856	389,623	-	-	440,479	50,603	389,341	-	-	439,944
Parklands	-	-	227,857	-	227,857	-	-	227,692	-	227,692
Total Restricted	50,856	389,623	227,857	-	668,336	50,603	389,341	227,692	-	667,636
Assigned	-	182,780	-	-	182,780	-	192,439	-	-	192,439
Unassigned	111,261	-	-	(581,046)	(469,785)	162,081	-	-	(631,046)	(468,965)
Total Fund Balances (Deficits)	\$ 162,117	\$ 572,403	\$ 227,857	\$ (581,046)	\$ 381,331	\$ 251,498	\$ 581,780	\$ 227,692	\$ (631,046)	\$ 429,924

## Village of Buchanan, 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 employee retirement and other costs paid in advance. The amount is classified as nonspendable to indicate that these funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Unassigned fund balance in the General Fund represents amounts not classified as restricted or assigned. Unassigned fund balance in the Capital Projects Funds represents a deficit in 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 damage 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 in which the payment is made.

#### **B. Contingencies**

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. 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.

#### **C. Risk Management**

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains general liability insurance coverage with a policy limit of \$3 million. The personal and advertising limit policies provide coverage up to \$1 million. The Village also participates in a workers' compensation public entity pool through the New York State Municipal Workers' Compensation Alliance.

### **Note 5 - Subsequent Event**

The Village, in October 09, 2014, issued a bond anticipation renewal note in the amount of \$750,000 for the reconstruction and resurfacing of various roads. The note is due October 09, 2015 with interest at 1.125%.

**Village of Buchanan, New York**

Notes to Financial Statements (Concluded)  
May 31, 2015

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**Note 5 - Subsequent Event (Continued)**

The Village entered into a capital lease for two police vehicles on July 24, 2015, for a total of \$70,560 which includes principal and interest payable through July 24, 2018.

On June 1, 2015 the Village signed a new Payment in Lieu of Taxes ("PILOT") agreement with Entergy Nuclear Indian Point, LLC. The PILOT payments to the village are \$2,624,000 annually, starting in fiscal year 2016 through fiscal year 2025, with a stated annual growth factor.

The Village, on October 8, 2015, issued Public Improvement Serial Bonds in the amount of \$700,000, due October 1, 2025, with interest ranging from 3.00% to 3.50%.

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**Village of Buchanan, New York**

Required Supplementary Information  
Other Post Employment Benefits  
Schedule of Funding Progress  
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	\$ -	\$ 11,960,000	\$ 11,960,000	- %	\$ 2,150,000	556 %
June 1, 2013	-	12,410,000	12,410,000	-	2,290,000	542
June 1, 2014	-	12,790,000	12,790,000	-	2,140,000	598

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**Village of Buchanan, New York**

General Fund  
Comparative Balance Sheet  
May 31,

	2015	2014
<b>ASSETS</b>		
Cash and equivalents	\$ 153,915	\$ 347,271
Taxes receivable, net of allowance for uncollectible taxes of \$677 in 2015 and 2014	76,343	71,199
Other receivables		
Accounts	172,469	170,461
Due from other governments	98,711	97,180
Due from other funds	86,461	30,282
	357,641	297,923
Prepaid expenditures	-	38,814
Total Assets	\$ 587,899	\$ 755,207
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 105,747	\$ 147,262
Accrued liabilities	11,861	25,434
Due to retirement systems	71,971	90,808
Unearned revenues	167,296	171,254
Total Liabilities	356,875	434,758
Deferred inflows of resources		
Real property taxes	68,907	68,951
Total Liabilities and Deferred Inflows of Resources	425,782	503,709
Fund balance		
Nonspendable	-	38,814
Restricted	50,856	50,603
Unassigned	111,261	162,081
Total Fund Balance	162,117	251,498
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 587,899	\$ 755,207

Village of Buchanan, 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	\$ 1,963,367	\$ 1,963,367	\$ 1,963,379	\$ 12
Other tax items	1,972,500	1,972,500	1,975,942	3,442
Non-property taxes	332,000	332,000	339,253	7,253
Departmental income	408,000	408,000	314,785	(93,215)
Use of money and property	12,000	12,000	1,634	(10,366)
Licenses and permits	22,450	22,450	28,795	6,345
Fines and forfeitures	25,000	25,000	33,516	8,516
Sale of property and compensation for loss	13,900	13,900	34,664	20,764
State aid	48,000	48,000	55,316	7,316
Federal aid	300	300	-	(300)
Miscellaneous	11,100	11,100	27,159	16,059
<b>Total Revenues</b>	<b>4,808,617</b>	<b>4,808,617</b>	<b>4,774,443</b>	<b>(34,174)</b>
<b>EXPENDITURES</b>				
Current				
General government support	693,499	662,293	713,411	(51,118)
Public safety	1,099,100	1,118,898	1,123,951	(5,053)
Health	2,500	2,500	2,500	-
Transportation	697,300	688,492	690,677	(2,185)
Economic opportunity and development	3,000	2,850	2,850	-
Culture and recreation	254,545	240,948	241,260	(312)
Home and community services	973,150	966,555	942,274	24,281
Employee benefits	1,639,500	1,688,428	1,694,824	(6,396)
Debt service				
Principal	5,064	5,064	18,549	(13,485)
Interest	15,959	7,589	8,528	(939)
<b>Total Expenditures</b>	<b>5,383,617</b>	<b>5,383,617</b>	<b>5,438,824</b>	<b>(55,207)</b>
Deficiency of Revenues Over Expenditures	(575,000)	(575,000)	(664,381)	(89,381)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	640,000	640,000	625,000	(15,000)
Transfers out	(65,000)	(65,000)	(50,000)	15,000
<b>Total Other Financing Sources</b>	<b>575,000</b>	<b>575,000</b>	<b>575,000</b>	<b>-</b>
Net Change in Fund Balance	-	-	(89,381)	(89,381)
<b>FUND BALANCE</b>				
Beginning of Year	-	-	251,498	251,498
End of Year	\$ -	\$ -	\$ 162,117	\$ 162,117

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,588,170	\$ 2,588,170	\$ 1,926,974	\$ (661,196)
1,969,500	1,969,500	1,982,465	12,965
305,000	305,000	337,763	32,763
366,000	366,000	346,171	(19,829)
15,000	15,000	2,588	(12,412)
22,450	22,450	21,381	(1,069)
25,000	25,000	25,760	760
13,900	13,900	24,018	10,118
47,000	47,000	74,314	27,314
300	300	-	(300)
11,100	11,100	13,187	2,087
<u>5,363,420</u>	<u>5,363,420</u>	<u>4,754,621</u>	<u>(608,799)</u>
722,002	722,002	710,395	11,607
1,069,000	1,069,000	1,140,326	(71,326)
2,500	2,500	-	2,500
790,000	790,000	752,681	37,319
3,000	3,000	2,850	150
258,845	258,845	248,297	10,548
985,050	985,050	1,115,429	(130,379)
1,612,000	1,612,000	1,644,704	(32,704)
4,940	4,940	17,766	(12,826)
16,083	16,083	14,843	1,240
<u>5,463,420</u>	<u>5,463,420</u>	<u>5,647,291</u>	<u>(183,871)</u>
<u>(100,000)</u>	<u>(100,000)</u>	<u>(892,670)</u>	<u>(792,670)</u>
150,000	150,000	550,000	400,000
(50,000)	(50,000)	(66,065)	(16,065)
<u>100,000</u>	<u>100,000</u>	<u>483,935</u>	<u>383,935</u>
-	-	(408,735)	(408,735)
-	-	660,233	660,233
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,498</u>	<u>\$ 251,498</u>

**Village of Buchanan, 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>	\$ 1,963,367	\$ 1,963,367	\$ 1,963,379	\$ 12	\$ 1,926,974
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	1,964,500	1,964,500	1,964,500	-	1,964,500
Interest and penalties on real property taxes	8,000	8,000	11,442	3,442	17,965
	<u>1,972,500</u>	<u>1,972,500</u>	<u>1,975,942</u>	<u>3,442</u>	<u>1,982,465</u>
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	315,000	315,000	319,053	4,053	319,932
Franchise fees - Cable TV	17,000	17,000	20,200	3,200	17,831
	<u>332,000</u>	<u>332,000</u>	<u>339,253</u>	<u>7,253</u>	<u>337,763</u>
<b>DEPARTMENTAL INCOME</b>					
Town Clerk fees	500	500	450	(50)	600
Engineering fees	30,000	30,000	-	(30,000)	1,827
Police fees	6,500	6,500	150	(6,350)	134
Planning Board fees	3,000	3,000	-	(3,000)	1,100
Park and recreation charges	99,000	99,000	89,471	(9,529)	102,386
Zoning fees	2,000	2,000	600	(1,400)	900
Inspection fees	4,000	4,000	-	(4,000)	-
Sewer charges	185,000	185,000	161,145	(23,855)	166,908
Traffic control	60,000	60,000	42,450	(17,550)	43,800
DWI charges	3,000	3,000	-	(3,000)	-
Sewer services	15,000	15,000	20,519	5,519	28,516
	<u>408,000</u>	<u>408,000</u>	<u>314,785</u>	<u>(93,215)</u>	<u>346,171</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	12,000	12,000	1,634	(10,366)	2,588
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**LICENSES AND PERMITS**

Business and occupational licenses	200	200	-	(200)	-
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Dog licenses	250	250	348	98	393
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Building and alteration permits	22,000	22,000	28,447	6,447	20,988
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	<u>22,450</u>	<u>22,450</u>	<u>28,795</u>	<u>6,345</u>	<u>21,381</u>
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**FINES AND FORFEITURES**

Fines and forfeited bail	25,000	25,000	32,966	7,966	25,760
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**SALE OF PROPERTY AND  
COMPENSATION FOR LOSS**

Sale of equipment	1,500	1,500	900	(600)	-
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Insurance recoveries	12,000	12,000	33,764	21,764	24,018
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Other	400	400	-	(400)	-
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	<u>13,900</u>	<u>13,900</u>	<u>34,664</u>	<u>20,764</u>	<u>24,018</u>
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**STATE AID**

Per capita	19,000	19,000	20,238	1,238	19,644
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Mortgage tax	25,000	25,000	34,108	9,108	36,357
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Police - Stop DWI and Dare programs	1,000	1,000	-	(1,000)	-
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Other	3,000	3,000	970	(2,030)	18,313
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	<u>48,000</u>	<u>48,000</u>	<u>55,316</u>	<u>7,316</u>	<u>74,314</u>
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**FEDERAL AID**

Police-Crime control	300	300	-	(300)	-
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Village of Buchanan, New York

General Fund

Schedule of Revenues and Other Financing Sources 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>MISCELLANEOUS</b>					
Refund of prior year's expenditures	\$ 100	\$ 100	\$ 14	\$ (86)	\$ -
Gifts and donations	1,000	1,000	100	(900)	100
Other	10,000	10,000	27,045	17,045	13,087
	<u>11,100</u>	<u>11,100</u>	<u>27,159</u>	<u>16,059</u>	<u>13,187</u>
<b>TOTAL REVENUES</b>	4,808,617	4,808,617	4,774,443	(34,174)	4,754,621
<b>OTHER FINANCING SOURCES</b>					
Transfers in					
Capital Projects Fund	15,000	15,000	-	(15,000)	-
Water Fund	625,000	625,000	625,000	-	550,000
	<u>640,000</u>	<u>640,000</u>	<u>625,000</u>	<u>(15,000)</u>	<u>550,000</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	640,000	640,000	625,000	(15,000)	550,000
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 5,448,617</u>	<u>\$ 5,448,617</u>	<u>\$ 5,399,443</u>	<u>\$ (49,174)</u>	<u>\$ 5,304,621</u>

**Village of Buchanan, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2015

(With Comparative Actuals for 2014)

55

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 29,600	\$ 31,544	\$ 31,576	\$ (32)	\$ 30,313
Town Justice	40,745	51,199	51,199	-	53,043
Manager	87,087	86,834	87,079	(245)	83,161
Mayor	7,100	7,884	7,884	-	7,060
Independent audit	27,000	26,963	26,963	-	29,170
Treasurer	126,500	138,315	138,737	(422)	175,235
Assessor	2,000	434	434	-	1,254
Town Attorney	51,575	55,949	55,949	-	49,419
Engineer	75,000	71,465	117,138	(45,673)	87,070
Elections	4,300	2,330	2,330	-	3,358
Buildings	155,292	154,227	154,660	(433)	153,818
Central garage	27,800	28,070	28,070	-	32,680
Municipal association dues	3,000	2,933	2,933	-	2,833
Metropolitan Transportation Authority payroll tax	6,500	4,146	8,459	(4,313)	1,981
Contingency	50,000	-	-	-	-
	<u>693,499</u>	<u>662,293</u>	<u>713,411</u>	<u>(51,118)</u>	<u>710,395</u>
<b>PUBLIC SAFETY</b>					
Police	863,250	881,112	886,165	(5,053)	904,795
Fire protection	235,850	237,786	237,786	-	235,531
	<u>1,099,100</u>	<u>1,118,898</u>	<u>1,123,951</u>	<u>(5,053)</u>	<u>1,140,326</u>
<b>HEALTH</b>					
Nursing services	2,500	2,500	2,500	-	-



<b>TRANSPORTATION</b>					
Street maintenance	560,300	508,224	510,409	(2,185)	546,226
Snow removal	59,000	99,473	99,473	-	122,354
Street lighting	78,000	80,795	80,795	-	84,101
	<u>697,300</u>	<u>688,492</u>	<u>690,677</u>	<u>(2,185)</u>	<u>752,681</u>
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>					
Publicity	<u>3,000</u>	<u>2,850</u>	<u>2,850</u>	<u>-</u>	<u>2,850</u>
<b>CULTURE AND RECREATION</b>					
Parks	62,300	61,677	61,935	(258)	68,322
Community center	125,770	123,870	123,924	(54)	115,382
Municipal pool	65,500	55,251	55,251	-	64,593
Town historian	975	150	150	-	-
	<u>254,545</u>	<u>240,948</u>	<u>241,260</u>	<u>(312)</u>	<u>248,297</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Zoning Board of Appeals	68,550	65,929	66,265	(336)	64,036
Planning Board	17,200	24,463	24,463	-	42,271
Sewer system	88,100	97,057	97,332	(275)	97,481
Sewage treatment and disposal	489,000	535,962	510,266	25,696	605,174
Refuse and garbage	310,300	243,144	243,948	(804)	306,467
	<u>973,150</u>	<u>966,555</u>	<u>942,274</u>	<u>24,281</u>	<u>1,115,429</u>
<b>EMPLOYEE BENEFITS</b>					
Employees' retirement	275,000	293,935	273,493	20,442	269,653
Police retirement	205,000	250,910	238,091	12,819	218,663
Service awards program	38,000	40,517	40,517	-	35,472
Social security benefits	190,000	168,185	169,028	(843)	183,792
Workers' compensation benefits	148,000	160,624	160,624	-	146,146
Life insurance	26,000	20,963	20,963	-	21,467
Unemployment benefits	5,000	2,305	2,305	-	3,317
Hospitalization, medical and dental benefits	752,500	750,989	750,989	-	766,194
Other	-	-	38,814	(38,814)	-
	<u>1,639,500</u>	<u>1,688,428</u>	<u>1,694,824</u>	<u>(6,396)</u>	<u>1,644,704</u>

(Continued)

**Village of Buchanan, 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>DEBT SERVICE</b>					
Principal					
Loans	\$ 5,064	\$ 5,064	\$ 18,549	\$ (13,485)	\$ 17,766
Interest					
Loans	389	389	1,328	(939)	2,093
Bond anticipation notes	15,570	7,200	7,200	-	12,750
	<u>15,959</u>	<u>7,589</u>	<u>8,528</u>	<u>(939)</u>	<u>14,843</u>
	<u>21,023</u>	<u>12,653</u>	<u>27,077</u>	<u>(14,424)</u>	<u>32,609</u>
<b>TOTAL EXPENDITURES</b>	5,383,617	5,383,617	5,438,824	(55,207)	5,647,291
<b>OTHER FINANCING USES</b>					
Transfers out					
Capital Projects Fund	65,000	65,000	50,000	15,000	66,065
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 5,448,617</u>	<u>\$ 5,448,617</u>	<u>\$ 5,488,824</u>	<u>\$ (40,207)</u>	<u>\$ 5,713,356</u>

**Village of Buchanan, New York**

Water Fund  
Comparative Balance Sheet  
May 31,

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 853,753	\$ 803,775
Water rents receivable	<u>312,950</u>	<u>330,245</u>
Total Assets	<u>\$ 1,166,703</u>	<u>\$ 1,134,020</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 429,256	\$ 402,397
Accrued liabilities	432	231
Due to other funds	<u>164,612</u>	<u>149,612</u>
Total Liabilities	<u>594,300</u>	<u>552,240</u>
Fund balance		
Restricted	389,623	389,341
Assigned	<u>182,780</u>	<u>192,439</u>
Total Fund Balance	<u>572,403</u>	<u>581,780</u>
Total Liabilities and Fund Balance	<u>\$ 1,166,703</u>	<u>\$ 1,134,020</u>

**Village of Buchanan, New York**

Water Fund

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

2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Departmental income	\$ 2,738,340	\$ 2,738,340	\$ 2,730,246	\$ (8,094)
Use of money and property	15,000	15,000	839	(14,161)
Miscellaneous	-	-	610	610
<b>Total Revenues</b>	<b>2,753,340</b>	<b>2,753,340</b>	<b>2,731,695</b>	<b>(21,645)</b>
<b>EXPENDITURES</b>				
Current				
Home and community services	2,121,840	2,121,840	2,109,583	12,257
Employee benefits	6,500	6,500	6,489	11
<b>Total Expenditures</b>	<b>2,128,340</b>	<b>2,128,340</b>	<b>2,116,072</b>	<b>12,268</b>
<b>Excess of Revenues Over Expenditures</b>	<b>625,000</b>	<b>625,000</b>	<b>615,623</b>	<b>(9,377)</b>
<b>OTHER FINANCING USES</b>				
Transfers out	(625,000)	(625,000)	(625,000)	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(9,377)</b>	<b>(9,377)</b>
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	-	-	581,780	581,780
End of Year	\$ -	\$ -	\$ 572,403	\$ 572,403

2014

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,213,340	\$ 3,213,340	\$ 2,761,455	\$ (451,885)
15,000	15,000	1,410	(13,590)
-	-	125	125
<u>3,228,340</u>	<u>3,228,340</u>	<u>2,762,990</u>	<u>(465,350)</u>
2,392,870	2,392,870	2,012,803	380,067
6,500	6,500	6,294	206
<u>2,399,370</u>	<u>2,399,370</u>	<u>2,019,097</u>	<u>380,273</u>
828,970	828,970	743,893	(85,077)
<u>(150,000)</u>	<u>(150,000)</u>	<u>(550,000)</u>	<u>(400,000)</u>
678,970	678,970	193,893	(485,077)
<u>(678,970)</u>	<u>(678,970)</u>	<u>387,887</u>	<u>1,066,857</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 581,780</u>	<u>\$ 581,780</u>

**Village of Buchanan, New York**

Water Fund

Schedule of Revenues Compared to Budget

Year Ended May 31, 2015

(With Comparative Actuals for 2014)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2014 Actual</u>
<b>DEPARTMENTAL INCOME</b>					
Metered water sales	\$ 2,725,000	\$ 2,725,000	\$ 2,728,097	\$ 3,097	\$ 2,758,737
Water service charges	13,340	13,340	2,149	(11,191)	2,718
	<u>2,738,340</u>	<u>2,738,340</u>	<u>2,730,246</u>	<u>(8,094)</u>	<u>2,761,455</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	15,000	15,000	839	(14,161)	1,410
<b>MISCELLANEOUS</b>					
Other	-	-	610	610	125
<b>TOTAL REVENUES</b>	<u>\$ 2,753,340</u>	<u>\$ 2,753,340</u>	<u>\$ 2,731,695</u>	<u>\$ (21,645)</u>	<u>\$ 2,762,990</u>

**Village of Buchanan, New York**

Water 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>HOME AND COMMUNITY SERVICES</b>					
Pumping, supply and power	\$ 1,950,000	\$ 1,938,652	\$ 1,942,500	\$ (3,848)	\$ 1,897,987
Transmission and distribution	171,840	183,188	167,083	16,105	114,816
	<u>2,121,840</u>	<u>2,121,840</u>	<u>2,109,583</u>	<u>12,257</u>	<u>2,012,803</u>
<b>EMPLOYEE BENEFITS</b>					
Social security benefits	6,500	6,500	6,489	11	6,294
<b>TOTAL EXPENDITURES</b>	<u>2,128,340</u>	<u>2,128,340</u>	<u>2,116,072</u>	<u>12,268</u>	<u>2,019,097</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
General Fund	625,000	625,000	625,000	-	550,000
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 2,753,340</u>	<u>\$ 2,753,340</u>	<u>\$ 2,741,072</u>	<u>\$ 12,268</u>	<u>\$ 2,569,097</u>

**Village of Buchanan, New York**

Special Purpose Fund  
Comparative Balance Sheet  
May 31,

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 227,857</u>	<u>\$ 227,692</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ 227,857</u>	<u>\$ 227,692</u>



**Village of Buchanan, New York**

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

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	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Use of money and property	\$ 165	\$ 298
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	165	298
<b>FUND BALANCE</b>		
Beginning of Year	<u>227,692</u>	<u>227,394</u>
End of Year	<u>\$ 227,857</u>	<u>\$ 227,692</u>

**Village of Buchanan, 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	\$ 85,947	\$ 10
State and Federal aid receivable	61,873	49,614
Due from other funds	<u>78,151</u>	<u>119,330</u>
 Total Assets	 <u>\$ 225,971</u>	 <u>\$ 168,954</u>
 <b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Unearned revenues	\$ 57,017	\$ -
Bond anticipation notes payable	<u>750,000</u>	<u>800,000</u>
 Total Liabilities	 807,017	 800,000
 Fund deficit		
Unassigned	<u>(581,046)</u>	<u>(631,046)</u>
 Total Liabilities and Fund Deficit	 <u>\$ 225,971</u>	 <u>\$ 168,954</u>

**Village of Buchanan, 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	\$ 61,873	\$ 49,614
Miscellaneous	<u>5,600</u>	<u>-</u>
Total Revenues	67,473	49,614
<b>EXPENDITURES</b>		
Capital outlay	<u>67,473</u>	<u>98,267</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(48,653)
<b>OTHER FINANCING SOURCES</b>		
Transfers in	<u>50,000</u>	<u>66,065</u>
Net Change in Fund Balance	50,000	17,412
<b>FUND DEFICIT</b>		
Beginning of Year	<u>(631,046)</u>	<u>(648,458)</u>
End of Year	<u>\$ (581,046)</u>	<u>\$ (631,046)</u>

**Village of Buchanan, New York**

Capital Projects Fund

Project-Length Schedule

Inception of Project through May 31, 2015

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<u>Project</u>	<u>Authorization</u>	<u>Expendi- tures and Transfers</u>	<u>Unexpended Balance</u>
Reconstruction and resurfacing of various roads	\$ 1,242,619	\$ 1,073,665	\$ 168,954
Sludge tank roof repairs	98,574	5,600	92,974
	<u>\$ 1,341,193</u>	<u>\$ 1,079,265</u>	<u>\$ 261,928</u>

<u>Total Revenues</u>	<u>Fund Balance (Deficit) at May 31, 2015</u>	<u>Bond Anticipation Notes Outstanding at May 31, 2015</u>
\$ 492,619 5,600	\$ (581,046) -	\$ 750,000 -
<u>\$ 498,219</u>	<u>\$ (581,046)</u>	<u>\$ 750,000</u>