

**Town of Ossining, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2016



# Town of Ossining, New York

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## **Independent Auditors' Report**

**The Honorable Supervisor and Town Board  
of the Town of Ossining, New York**

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Ossining, New York ("Town") as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town'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 Town'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 Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of December 31, 2016, and the respective changes in financial position, and where applicable cash flows, thereof, and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special Districts 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 schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit for the year ended December 31, 2016 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town'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 for the year ended December 31, 2016 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 for the year ended December 31, 2016.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended December 31, 2015, and have issued our report thereon dated May 27, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2015 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2015.

*PKF O'Connor Davies, LLP*

PKF O'Connor Davies, LLP

Harrison, New York

May 18, 2017

## **Town of Ossining, New York**

### **Management's Discussion and Analysis (MD&A) December 31, 2016**

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#### **Introduction**

As management of the Town of Ossining, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2016. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

#### **Financial Highlights**

- The Town's government-wide financial statements reflect assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources by \$5,052,649 at the close of the most recent fiscal year, which is an increase of \$652,397 in 2016. A deficit of \$1,492,500 exists for unrestricted net position, and is reflective of the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 requiring the accrual of certain operating liabilities which will be satisfied in future years. The Town had significant increases in fund balance with unanticipated revenues and reduced expenditures (\$1,448,858), increases for net pension liability (\$1,414,752) and other post-employment benefit (OPEB) obligations (\$770,182) which resulted in the reduction of unrestricted net position government-wide.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,649,392, of which \$102,821 is nonspendable. Restricted funds total \$415,867 primarily for debt, parklands and trust. Assigned fund balance totals \$4,871,647, of which \$579,000 is assigned for subsequent year's expenditures. Unassigned fund balance for the General Fund totaled \$2,861,725, which was then reduced by \$1,602,668 for a deficit in the Capital Projects Fund unassigned fund balance reflective of short-term capital borrowings for the Town's Old Albany Post Road Dead End Restoration and revaluation projects, bringing the total unassigned fund balance for governmental funds to \$1,259,057.
- At the end of the current fiscal year, unassigned fund balance for the General Fund, \$2,861,725, was 56% of total General Fund expenditures and other financing uses.
- During the current fiscal year, the Town retired \$445,000 of general obligation debt and restricted \$308,250 to redeem callable bonds for the Police Building in fiscal years 2017 and 2018. The Town's total outstanding general obligation bonds payable at December 31, 2016 totaled \$4,840,000.
- Throughout the current fiscal year, the Town retired \$231,666 of short-term capital debt in the form of bond anticipation notes. The Town issued short-term debt (\$400,000), and renewed debt (\$2,069,396) for capital projects. Short-term obligations totaled \$2,469,396 at the end of the fiscal year.

- In addition to the impact of the Town's OPEB obligations, the government-wide financial statements for the year ended December 31, 2016 are also significantly impacted by the provisions of GASB Statement No. 68. This pronouncement established accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS"). Under the new standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2016, the Town reported in its Statement of Net Position a liability of \$1,750,882 for its proportionate share of the ERS net pension liability. More detailed information about the Town's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to financial statements.

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

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

### **Government-Wide Financial Statements**

The statement of net position presents information on all of the Town's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Town is improving or deteriorating.

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

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

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

### **Fund Financial Statements**

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

### **Governmental Funds**

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

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

The Town maintains seven individual governmental funds: the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Funds, Capital Projects Fund, Debt Service Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Town Outside Villages, Highway, Special Districts and Capital Projects Funds. These funds are considered to be major funds. The Debt Service and Special Purpose funds are not considered major funds and are combined into a single aggregated presentation.

The Town adopts annual budgets for the General Fund, Town Outside Villages Fund, Highway Fund and Special Districts Funds. Budgetary comparison statements have been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

### **Proprietary Funds**

The Town maintains one type of proprietary fund. The Internal Service Fund is used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its workers' compensation benefits (the Workers' Compensation Benefits Fund) for claims incurred through December 31, 2008 when the Town was self-insured. The liability for claims incurred prior to January 1, 2009 is recorded in the Internal Service Fund. In 2009, the Town changed its workers' compensation program to a municipal consortium program. These services are now classified as governmental activities in the government-wide financial statements.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Town programs. The Town maintains only one type of fiduciary fund that is known as an agency fund. Resources are held in this fund by the Town purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements section of this report.

### Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town's other post employment benefit obligations, long-term obligations for pension benefits, the combining statements for the non-major governmental funds 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 condition. For the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,052,649 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position:

	December 31,	
	2016	2015
Current Assets	\$ 58,964,326	\$ 56,160,167
Capital Assets, net	8,748,859	8,884,258
Total Assets	67,713,185	65,044,425
Deferred Outflow of Resources	1,875,948	441,280
Current Liabilities	51,858,385	50,384,657
Long-term Liabilities	12,437,773	10,657,078
Total Liabilities	64,296,158	61,041,735
Deferred Inflow of Resources	240,326	43,718
<b>NET POSITION</b>		
Net Investment in Capital Assets	3,247,274	3,166,907
Restricted	3,297,875	2,604,353
Unrestricted	(1,492,500)	(1,371,008)
Total Net Position	\$ 5,052,649	\$ 4,400,252

### Net Position Distribution

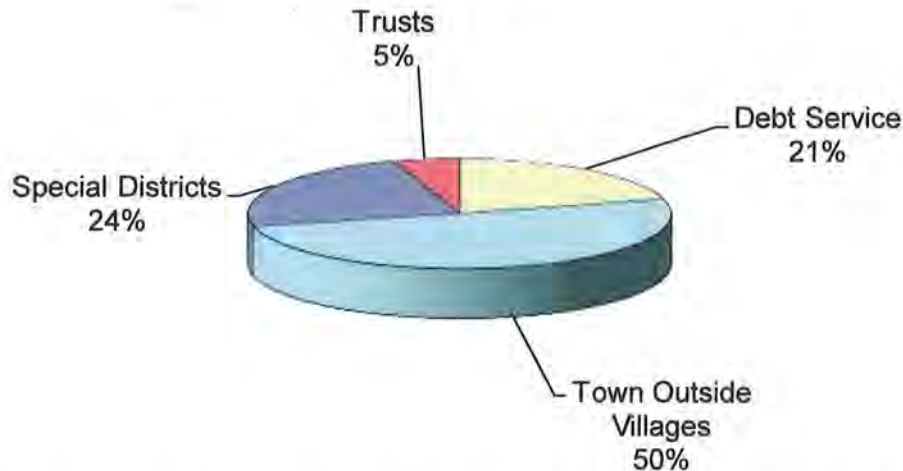
The net position of the Town for the current reporting period includes infrastructure amounts for items such as roads, sewer and drainage acquired or constructed after January, 2004. The current improvements for these infrastructure items are reported in the capital asset section.

Although the Town's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The restricted net position, of \$3,297,875, represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated. In following the guidelines set forth by GASB Statement No. 54, the restricted categories are summarized as follows:

	December 31,	
	2016	2015
Tax Certioraris	\$ -	\$ 25,936
Debt Service	682,008	377,909
Town Outside Villages	1,666,646	1,192,488
Special Districts	782,611	815,944
Trusts	166,089	191,557
Parklands	521	519
	<u>\$ 3,297,875</u>	<u>\$ 2,604,353</u>

#### Restricted Net Position



The increase for Debt Service represents debt service reserves from operating funds to redeem callable bonds in future years. The remaining balance of unrestricted net position, which is a deficit of \$1,492,500, must be financed from future operations. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including certain claims, compensated absences, net pension liability, and other post employment benefit obligations that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payments are made.

At the end of the current fiscal year, the Town was able to report positive net position balances for the government as a whole as well as for its governmental activities at fiscal year end.

**Changes in Net Position  
December 31,**

	2016	2015
Program Revenues		
Charges for Services	\$ 1,153,782	\$ 1,181,311
Operating Grants and Contributions	248,521	251,869
Capital Grants and Contributions	33,501	228,284
General Revenues		
Real Property Taxes	10,711,069	10,525,278
Other Tax Items	872,258	795,273
Non-Property Taxes	789,350	779,607
Unrestricted Use of Money and Property	31,185	23,071
Sale of Property and Compensation for Loss	37,401	10,132
Unrestricted State Aid	773,631	650,740
Miscellaneous	18,650	11,349
<b>Total Revenues</b>	<b>14,669,348</b>	<b>14,456,914</b>
Program Expenses		
General Government Support	4,292,452	4,590,529
Public Safety	2,905,452	3,072,788
Health	852,595	837,178
Transportation	2,439,995	2,218,009
Economic Opportunity and Development	800,233	812,520
Culture and Recreation	1,311,552	1,279,276
Home and Community Services	1,254,777	1,170,761
Interest	159,895	179,257
<b>Total Expenses</b>	<b>14,016,951</b>	<b>14,160,318</b>
<b>Change in Net Position</b>	<b>652,397</b>	<b>296,596</b>
<b>NET POSITION</b>		
Beginning, as reported	4,400,252	4,255,777
Cumulative Effect of Change in Accounting Principle	-	(152,121)
Beginning, as restated	4,400,252	4,103,656
Ending	<u>\$ 5,052,649</u>	<u>\$ 4,400,252</u>

## **Governmental Activities**

Governmental activities increased the Town's net position during 2016 by \$652,397. For the fiscal year ended December 31, 2016, revenues from governmental activities totaled \$14,669,348. Tax revenues of \$12,372,677, comprised of real property taxes, other tax items and non-property taxes, represented the largest revenue source (84%).

The largest components of governmental activities' expenses were general government support \$4,292,452 (31%), public safety \$2,905,452 (21%), and transportation \$2,439,995 (17%). The decreases in public safety expenses is reflective of the 2015 Police Inter-municipal Agreement (IMA) at a lower cost following implementation in 2015.

The major changes in 2016 vs. 2015 were as follows:

### **Revenues:**

- ❖ The increase in real property taxes resulted from tax rate increases in compliance with the tax cap. The General Fund tax rate increased 1.97%, the Town Outside Villages tax rate increased .44%. The General Fund recognized \$125,114 of deferred tax revenue in 2016.
- ❖ Charges for services revenue decreased government-wide 2.7%, from \$1,181,311 to \$1,153,782, with revenues for home and community services increasing from \$296,670 to \$328,771 reflective of increased plot and internment revenues. Public safety service revenue decreased from \$349,628 to \$274,095 due to reduced fines and forfeitures (\$72,512), culture and recreation increased \$7,315 for increased park rentals, and transportation increased \$10,360 for street opening permits.
- ❖ Non-property tax distribution from County in the form of sales tax increased by 1.25% and reflecting positive economic growth.
- ❖ Revenues categorized as operating grants and contributions decreased from \$228,284 to \$33,501 at year end with significant decreases in transportation for the New York State Consolidated Local Street and Highway Improvement Program ("CHIPS") grant funding for road improvements of \$25,035 (\$169,791 in 2015).

### **Expenses:**

- ❖ General government support expenditures in all funds decreased by 6%, or \$298,077 overall attributable to expenses decreasing for personnel costs (\$92,459) including benefits (\$71,950). Tax certiorari refunds increased expenditures \$73,897.
- ❖ Public safety expenses decreased by \$167,336 in 2016, due to the Police IMA costs decreasing \$292,385. Personnel and benefit costs increased \$30,603 and \$26,632 respectively for a new full time employee. Workers compensation expenditures increased \$10,238.
- ❖ An increase of 10% (\$221,986) for transportation resulted from an increase in depreciation allocation of \$109,186 and ERS net pension liability increase of \$105,971. Snow removal and related costs decreased \$68,316 due to the mild weather.
- ❖ Home and community expenditures increased by \$84,016 to \$1,254,777 due to Sanitary Sewer Systems project of \$42,255 and increased benefit costs for Dale Cemetery employees.

## **Financial Analysis of the Town's Funds**

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

### **Governmental Funds**

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$6,649,392, a net increase of \$1,448,858 from the prior year amount. Nonspendable fund balance totaled \$102,821 at the end of the period. Restricted fund balance of \$415,867 is reported for Cable Television Purposes (\$72,813), debt service (\$178,008), and special purpose trusts and parklands (\$165,046). Assigned fund balance for outstanding purchases (\$70,189), subsequent year expenditures (\$579,000) and major funds (\$4,222,458) totaled \$5,287,514. Unassigned fund balance retains a balance of \$1,259,057 comprised of a deficit in short-term financing for capital projects of \$1,602,668, off-setting the positive unassigned fund balance in the General Fund of \$2,861,725 at year end.

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,861,725, representing 95% of the total General Fund balance of \$3,002,986. The nonspendable fund balance component is \$64,949 and consists of amounts representing prepaid expenditures. Prepaid expenditures have been established to account for a portion of the New York State retirement payments made in advance. Subsequent year's expenditures represents appropriated fund balance of \$75,000.

The Town Outside Villages Fund contains activity primarily for public safety expenditures, and assigned fund balance at fiscal year end totaled \$2,554,345, representing 97% of the total Town Outside Villages Fund balance of \$2,630,735. Prepaid expenditures classified as nonspendable total \$3,577 and restricted fund balance of \$72,813 represents funds for Cable Television Purposes.

The Highway Fund contains activity for transportation expenditures, and assigned fund balance at fiscal year end totaled \$938,875, representing 97% of the total Highway Fund balance amount of \$970,910. Nonspendable fund balance of \$32,035 represents prepaid expenditures, and assigned fund balance of \$68,776 for purchases on order.

The Special Districts Fund contains activity for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage, and ambulance districts. The assigned fund balance at fiscal year end totaled \$798,115, representing 99% of the total Special Districts Fund balance amount of \$798,811. Nonspendable fund balance of \$696 represents prepaid expenditures.

### **General Fund Budgetary Highlights**

The General Fund appropriated fund balance of \$53,880 for the 2016 fiscal year. Actual results of operations resulted in an increase of \$651,487 in total fund balance with an increase of \$653,871 for unassigned fund balance at the close of the fiscal year. Revenues and other financing sources were \$5,717,611, which was \$483,914 higher than the final budget. The major areas where revenues exceeded anticipated budget amounts were Real Property Taxes

(\$3,288,374 vs \$3,480,984) due to reduced deferred taxes (\$125,114) from better collections, Other tax items (\$475,539 vs. \$707,894) resulting from increased revenues for property tax penalties (\$51,741), gain on sale of property (\$194,306), and decreased Fines and Forfeitures (\$225,000 vs. \$73,238) representing revenues from Court activities. Expenditures and other financing uses were \$5,066,124, which was \$322,912 less than the final budget. The major areas where spending was less than budgeted was General Government Support (\$99,313), Economic Opportunity and Development (\$55,026), and Employee Benefits (\$156,707).

The difference between the appropriations originally budgeted and the final appropriation budget for the General Fund was \$117,875 (\$5,271,161 vs. \$5,389,036). The appropriation budgets for culture and recreation increased \$29,475 to fund unanticipated maintenance and repair expenditures. General government support increased \$17,612 for special counsel and labor counsel, and reduction of various contractual expenses and transfers out increased by \$70,338 for Shine House capital project expenses funded from Culture and Recreation.

### **Town Outside Villages Fund Budgetary Highlights**

The Town Outside Villages Fund ("TOV") operations for the fiscal year resulted in an increase to fund balance of \$508,595 due to revenues and other financing sources of \$3,822,259 being higher than expenditures and other financing uses of \$3,313,664.

Actual revenues and other financings sources of \$3,822,259 were higher than the final budget amount of \$3,689,407, an increase of \$132,852. Unanticipated revenues for Cable Television Purposes totaled \$17,414, and sales tax distribution revenues of \$789,350 were higher than budgeted by \$99,350. Actual expenditures and other financing uses of \$3,313,664 were lower than budgeted resulting in a decrease of \$426,114 from the final budget of \$3,739,778. Expenditures showing the largest variance from budget to actual were General Government Support (\$84,745), Public Safety (\$126,998) for contractual expenses, and Employee Benefits (\$114,472) for lower workers compensation and health costs.

### **Highway Fund Budgetary Highlights**

The Highway Fund's operations for the fiscal year resulted in an increase to fund balance of \$194,637 due to expenditures and other financing uses of \$2,208,650 being less than revenues and other financing sources of \$2,403,287.

Revenues received for the Highway Fund were higher than budgeted with actual revenues and other financing sources totaling \$2,403,287, which was an increase of \$47,413 from the final budget amount of \$2,355,874. Actual expenditures and other financing uses for the fiscal year were \$2,208,650. This was a decrease of \$147,224 from the final budget of \$2,403,287. Actual results of operations resulted in decreased expenditures for General Government Support (\$15,830) and Transportation (\$146,888) due to lower snow and fuel costs. Actual revenues exceeded the final budget for road opening permits (\$10,640), and sale of surplus equipment (\$12,013).

### **Capital Assets and Indebtedness**

The Town's net investment in capital assets for its governmental activities as of December 31, 2016, amounted to \$8,748,859 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

**Town of Ossining Capital Assets  
(Net of Depreciation)**

	2016	2015
Land	\$ 929,073	\$ 929,073
Buildings and Improvements	1,353,148	1,449,197
Machinery and Equipment	732,915	716,106
Infrastructure	5,181,210	3,714,943
Construction-in-Progress	552,513	2,074,939
	<u>\$ 8,748,859</u>	<u>\$ 8,884,258</u>

The following highlights the changes reflected in the major capital assets during the current fiscal year:

- Amounts expended resulted in an increase to infrastructure (\$1,466,267), machinery and equipment (\$16,809), and decreases to buildings and improvements (\$96,049), construction-in-progress (\$1,522,426). Overall all capital asset categories resulted in a net decrease of \$135,399 in capital assets, net of accumulated depreciation.
- The Old Albany Post Road restoration project expenditures totaling \$1,771,904 reduced construction-in-progress (CIP) and increased infrastructure. CIP decreased for Highway Garage LED Lighting (\$24,035) and increased building improvements. Shine House building improvement (\$75,873) increased CIP to \$178,673, Spray park recirculation expenditures of \$9,929 increased CIP to \$66,198 and MUNIS Software Implementation CIP increased \$78,144 to \$144,560. New capital projects included in construction-in-progress at year end include LED Street Lighting (\$104,866) and JCAP Grant (\$2,514). Cedar Lane Park Electric (\$51,835) remains in CIP at year end.

Additional information on the Town's capital assets can be found in Note 3C of this report.

**Long-Term / Short-Term Indebtedness**

At the end of the current fiscal year, the Town had total bonded indebtedness of \$4,840,000 classified as long-term debt. The Town paid \$445,000 in principal on outstanding obligations and did not issue additional long-term debt during the fiscal year. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

Short-term debt for the Town totaled \$2,469,396 in the form of bond anticipation notes (BAN's). The Town redeemed \$231,666 and issued \$400,000 of short-term debt, and renewed various BAN's totaling \$2,069,396 which mature in 2017. The Town also issued new BAN's totaling \$400,000 for Tax Reassessment purposes.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which a Town may incur. The State Constitution provides that the Town may not contract indebtedness in any amount greater than seven percent of the average full value of taxable real property in the Town for the most recent five years. Certain indebtedness is excluded in ascertaining the Town's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Town's authority to issue debt subject

to the limit. The Town had used \$6,237,140, or 2.03%, of the constitutional debt limit leaving \$301,702,850 remaining to be used when the constitutional debt limit was calculated in July 2015.

Additional information on the Town's long-term debt can be found in Note 3F of this report.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town of Ossining, New York's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Dale M. Ferreira, 16 Croton Avenue, Ossining, New York 10562.

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**Town of Ossining, New York**Statement of Net Position  
December 31, 2016

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 22,092,070
Investments	26,212
Receivables	
Taxes, net	36,180,677
Accounts	133,009
State and Federal aid	112,716
Due from other governments	316,821
Prepaid expenses	102,821
Capital assets	
Not being depreciated	1,481,586
Being depreciated, net	7,267,273
Total Assets	67,713,185
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	1,875,948
<b>LIABILITIES</b>	
Accounts payable	608,153
Accrued liabilities	241,801
Due to school districts	48,456,610
Unearned revenues	41,060
Bond anticipation notes payable	2,469,396
Accrued interest payable	41,365
Non-current liabilities	
Due within one year	476,100
Due in more than one year	11,961,673
Total Liabilities	64,296,158
<b>DEFERRED INFLOWS OF RESOURCES</b>	240,326
<b>NET POSITION</b>	
Net investment in capital assets	3,247,274
Restricted for	
Debt service	682,008
Cable television purposes	72,813
Town outside villages	1,593,833
Special Districts	
Water	22,897
Sewer	442,875
Lighting	237
Fire	33,383
Refuse and garbage	221,057
Ambulance	62,162
Trusts	166,089
Parklands	521
Unrestricted	(1,492,500)
Total Net Position	\$ 5,052,649

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

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**Town of Ossining, New York**

Statement of Activities  
Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities</b>					
General government support	\$ 4,292,452	\$ 265,646	\$ 50,000	\$ -	\$ (3,976,806)
Public safety	2,905,452	274,095	8,681	6,555	(2,616,121)
Health	852,595	259,165	387	-	(593,043)
Transportation	2,439,995	16,640	38,517	25,035	(2,359,803)
Economic opportunity and development	800,233	-	146,415	-	(653,818)
Culture and recreation	1,311,552	9,465	-	-	(1,302,087)
Home and community services	1,254,777	328,771	4,521	-	(921,485)
Interest	159,895	-	-	1,911	(157,984)
<b>Total Governmental Activities</b>	<b>\$ 14,016,951</b>	<b>\$ 1,153,782</b>	<b>\$ 248,521</b>	<b>\$ 33,501</b>	<b>(12,581,147)</b>
<b>General revenues</b>					
Real property taxes					10,711,069
Other tax items					
Franchise fees					158,229
Payments in lieu of taxes					17,982
Gain on sale of tax acquired property					194,306
Interest and penalties on real property taxes					501,741
Non-property taxes					
Non-property tax distribution from County					789,350
Unrestricted use of money and property					31,185
Sale of property and compensation for loss					37,401
Unrestricted State aid					773,631
Miscellaneous					18,650
<b>Total General Revenues</b>					<b>13,233,544</b>
<b>Change in Net Position</b>					<b>652,397</b>
<b>NET POSITION</b>					
Beginning, as reported					4,400,252
Ending					<u>\$ 5,052,649</u>

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

**Town of Ossining, New York**

Balance Sheet  
Governmental Funds  
December 31, 2016

	General	Town Outside Villages	Highway	Special Districts
<b>ASSETS</b>				
Cash and equivalents	\$ 15,863,681	\$ 2,393,113	\$ 960,813	\$ 970,781
Investments	-	-	-	-
Taxes receivable, net	36,180,677	-	-	-
Other receivables				
Accounts	64,175	54,084	14,450	-
State and Federal aid	31,220	-	-	-
Due from other governments	73,014	210,635	3,357	29,530
Due from other funds	-	-	-	-
	168,409	264,719	17,807	29,530
Prepaid expenditures	64,949	3,577	32,035	696
Total Assets	<u>\$ 52,277,716</u>	<u>\$ 2,661,409</u>	<u>\$ 1,010,655</u>	<u>\$ 1,001,007</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Accounts payable	\$ 95,367	\$ 17,412	\$ 35,351	\$ 179,876
Accrued liabilities	235,604	1,080	4,208	-
Due to school districts	48,456,610	-	-	-
Due to other funds	-	7,457	186	-
Unearned revenues	-	4,725	-	22,320
Bond anticipation notes payable	-	-	-	-
Total Liabilities	48,787,581	30,674	39,745	202,196
Deferred inflows of resources				
Deferred tax revenues	487,149	-	-	-
Total Liabilities and Deferred Inflows of Resources	49,274,730	30,674	39,745	202,196
Fund balances (deficits)				
Nonspendable	64,949	3,577	32,035	696
Restricted	-	72,813	-	-
Assigned	76,312	2,554,345	938,875	798,115
Unassigned	2,861,725	-	-	-
Total Fund Balances (Deficits)	3,002,986	2,630,735	970,910	798,811
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 52,277,716</u>	<u>\$ 2,661,409</u>	<u>\$ 1,010,655</u>	<u>\$ 1,001,007</u>

Capital Projects	Other Governmental	Total Governmental Funds
\$ 1,059,567	\$ 840,993	\$ 22,088,948
-	26,212	26,212
-	-	36,180,677
-	300	133,009
81,496	-	112,716
-	285	316,821
350	-	350
81,846	585	562,896
-	1,564	102,821
\$ 1,141,413	\$ 869,354	\$ 58,961,554

\$ 274,685	\$ 5,462	\$ 608,153
-	909	241,801
-	-	48,456,610
-	350	7,993
-	14,015	41,060
2,469,396	-	2,469,396
2,744,081	20,736	51,825,013
-	-	487,149
2,744,081	20,736	52,312,162
-	1,564	102,821
-	343,054	415,867
-	504,000	4,871,647
(1,602,668)	-	1,259,057
(1,602,668)	848,618	6,649,392
\$ 1,141,413	\$ 869,354	\$ 58,961,554

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## Town of Ossining, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2016

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Fund Balances - Total Governmental Funds	\$ 6,649,392
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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.	8,748,859
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Governmental funds do not report the assets or liabilities related to  
net pension assets (liabilities) whereas these amounts are deferred  
and amortized in the statement of activities.

Deferred amounts on net pension assets (liabilities)	1,635,622
--	-----------

Revenues in the statement of activities that do not provide current  
financial resources are not reported as revenues in the funds.

Real property taxes	487,149
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Long-term liabilities that are not due and payable in the current  
period are not reported in the funds.

Accrued interest payable	(41,365)
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Bonds payable	(4,840,000)
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Compensated absences	(102,059)
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Net pension liability	(1,750,882)
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Other post employment benefit obligations payable	(5,734,067)
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(12,468,373)
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Net Position of Governmental Activities	\$ 5,052,649
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**Town of Ossining, New York**

Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
Year Ended December 31, 2016

	General	Town Outside Villages	Highway	Special Districts
<b>REVENUES</b>				
Real property taxes	\$ 3,480,984	\$ 2,781,930	\$ 2,270,390	\$ 2,302,879
Other tax items	707,894	161,607	2,757	-
Non-property taxes	-	789,350	-	-
Departmental income	51,822	80,600	16,640	134,270
Intergovernmental charges	326,073	-	-	259,165
Use of money and property	47,263	8,737	1,608	2,212
Licenses and permits	4,275	-	-	-
Fines and forfeitures	73,238	-	-	-
Sale of property and compensation for loss	37,401	-	6,835	-
State aid	800,822	-	-	-
Federal aid	74,585	-	-	-
Miscellaneous	113,254	35	30,057	-
Total Revenues	5,717,611	3,822,259	2,328,287	2,698,526
<b>EXPENDITURES</b>				
Current				
General government support	2,298,207	332,430	187,787	109,815
Public safety	-	1,878,358	-	643,206
Health	-	-	-	852,595
Transportation	-	-	1,239,113	64,618
Economic opportunity and development	555,649	-	-	-
Culture and recreation	575,570	342,758	-	-
Home and community services	-	20,643	-	763,241
Employee benefits	1,137,422	299,746	580,703	-
Debt service				
Principal	-	-	-	-
Interest	4,188	-	10,478	1,396
Capital outlay	-	-	-	-
Total Expenditures	4,571,036	2,873,935	2,018,081	2,434,871
Excess (Deficiency) of Revenues Over Expenditures	1,146,575	948,324	310,206	263,655
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	75,000	6,062
Transfers out	(495,088)	(439,729)	(190,569)	(311,648)
Total Other Financing Sources (Uses)	(495,088)	(439,729)	(115,569)	(305,586)
Net Change in Fund Balances	651,487	508,595	194,637	(41,931)
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	2,351,499	2,122,140	776,273	840,742
End of Year	\$ 3,002,986	\$ 2,630,735	\$ 970,910	\$ 798,811

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ -	\$ -	\$ 10,836,183
-	-	872,258
-	-	789,350
-	191,621	474,953
-	-	585,238
-	2,399	62,219
-	-	4,275
-	-	73,238
-	-	44,236
31,590	-	832,412
-	-	74,585
-	2,169	145,515
31,590	196,189	14,794,462
-	-	2,928,239
-	-	2,521,564
-	-	852,595
-	-	1,303,731
-	-	555,649
-	-	918,328
-	168,164	952,048
-	152,467	2,170,338
-	445,000	445,000
-	155,150	171,212
526,900	-	526,900
526,900	920,781	13,345,604
(495,310)	(724,592)	1,448,858
353,634	1,008,400	1,443,096
-	(6,062)	(1,443,096)
353,634	1,002,338	-
(141,676)	277,746	1,448,858
(1,460,992)	570,872	5,200,534
\$ (1,602,668)	\$ 848,618	\$ 6,649,392

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**Town of Ossining, New York**

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2016

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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	\$ 1,448,858
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount may be less than the total capital outlay since capital outlay includes amounts that are under the capitalization threshold.

Capital outlay expenditures	359,757
Depreciation expense	<u>(495,156)</u>
	<u>(135,399)</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>(125,114)</u>
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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.

Principal paid on bonds	<u>445,000</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	11,317
Compensated absences	(45,391)
Pension assets (liabilities)	(176,692)
Other post employment benefit obligations	<u>(770,182)</u>
	<u>(980,948)</u>

Change in Net Position of Governmental Activities	<u><u>\$ 652,397</u></u>
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**Town of Ossining, New York**

**Statement of Revenues, Expenditures and Changes**

in Fund Balances - Budget and Actual

General, Town Outside Villages, Highway and Special Districts Funds

Year Ended December 31, 2016

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,298,721	\$ 3,288,374	\$ 3,480,984	\$ 192,610
Other tax items	475,539	475,539	707,894	232,355
Non-property taxes	-	-	-	-
Departmental income	32,800	32,800	51,822	19,022
Intergovernmental charges	339,384	339,384	326,073	(13,311)
Use of money and property	42,600	42,600	47,263	4,663
Licenses and permits	2,500	2,500	4,275	1,775
Fines and forfeitures	225,000	225,000	73,238	(151,762)
Sale of property and compensation for loss	-	29,000	37,401	8,401
State aid	668,000	668,000	800,822	132,822
Federal aid	67,000	67,000	74,585	7,585
Miscellaneous	63,500	63,500	113,254	49,754
<b>Total Revenues</b>	<b>5,215,044</b>	<b>5,233,697</b>	<b>5,717,611</b>	<b>483,914</b>
<b>EXPENDITURES</b>				
Current				
General government support	2,379,908	2,397,520	2,298,207	99,313
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	-
Economic opportunity and development	610,675	610,675	555,649	55,026
Culture and recreation	557,495	587,420	575,570	11,850
Home and community services	-	-	-	-
Employee benefits	1,294,129	1,294,129	1,137,422	156,707
Debt service				
Interest	4,200	4,200	4,188	12
<b>Total Expenditures</b>	<b>4,846,407</b>	<b>4,893,944</b>	<b>4,571,036</b>	<b>322,908</b>
<b>Excess of Revenues Over Expenditures</b>	<b>368,637</b>	<b>339,753</b>	<b>1,146,575</b>	<b>806,822</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(424,754)	(495,092)	(495,088)	4
<b>Total Other Financing Uses</b>	<b>(424,754)</b>	<b>(495,092)</b>	<b>(495,088)</b>	<b>4</b>
<b>Net Change in Fund Balances</b>	<b>(56,117)</b>	<b>(155,339)</b>	<b>651,487</b>	<b>806,826</b>
<b>FUND BALANCES</b>				
Beginning of Year	56,117	155,339	2,351,499	2,196,160
End of Year	\$ -	\$ -	\$ 3,002,986	\$ 3,002,986

Town Outside Villages Fund				Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,789,159	\$ 2,781,930	\$ 2,781,930	\$ -	\$ 2,276,290	\$ 2,270,390	\$ 2,270,390	\$ -
123,071	130,327	161,607	31,280	2,484	2,484	2,757	273
690,000	690,000	789,350	99,350	-	-	-	-
82,150	82,150	80,600	(1,550)	6,000	6,000	16,640	10,640
-	-	-	-	-	-	-	-
5,000	5,000	8,737	3,737	1,000	1,000	1,608	608
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,835	6,835
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	35	35	1,000	1,000	30,057	29,057
3,689,380	3,689,407	3,822,259	132,852	2,286,774	2,280,874	2,328,287	47,413
373,226	417,175	332,430	84,745	169,466	203,617	187,787	15,830
1,999,007	2,005,356	1,878,358	126,998	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,322,646	1,386,001	1,239,113	146,888
-	-	-	-	-	-	-	-
341,758	342,758	342,758	-	-	-	-	-
51,600	51,899	20,643	31,256	-	-	-	-
415,518	414,218	299,746	114,472	669,186	635,001	580,703	54,298
-	-	-	-	10,509	10,509	10,478	31
3,181,109	3,231,406	2,873,935	357,471	2,171,807	2,235,128	2,018,081	217,047
508,271	458,001	948,324	490,323	114,967	45,746	310,206	264,460
-	-	-	-	75,000	75,000	75,000	-
(508,372)	(508,372)	(439,729)	68,643	(190,573)	(190,573)	(190,569)	4
(508,372)	(508,372)	(439,729)	68,643	(115,573)	(115,573)	(115,569)	4
(101)	(50,371)	508,595	558,966	(606)	(69,827)	194,637	264,464
101	50,371	2,122,140	2,071,769	606	69,827	776,273	706,446
\$ -	\$ -	\$ 2,630,735	\$ 2,630,735	\$ -	\$ -	\$ 970,910	\$ 970,910

(Continued)

**Town of Ossining, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual (Continued)  
General, Town Outside Villages, Highway and Special Districts Funds  
Year Ended December 31, 2016

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,308,050	\$ 2,301,773	\$ 2,302,879	\$ 1,106
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	167,232	163,232	134,270	(28,962)
Intergovernmental charges	-	259,165	259,165	-
Use of money and property	1,570	1,570	2,212	642
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>2,476,852</b>	<b>2,725,740</b>	<b>2,698,526</b>	<b>(27,214)</b>
<b>EXPENDITURES</b>				
Current				
General government support	101,758	129,892	109,815	20,077
Public safety	643,208	643,208	643,206	2
Health	593,430	852,595	852,595	-
Transportation	57,592	64,621	64,618	3
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	821,486	821,049	763,241	57,808
Employee benefits	-	-	-	-
Debt service				
Interest	1,400	1,400	1,396	4
<b>Total Expenditures</b>	<b>2,218,874</b>	<b>2,512,765</b>	<b>2,434,871</b>	<b>77,894</b>
<b>Excess of Revenues Over Expenditures</b>	<b>257,978</b>	<b>212,975</b>	<b>263,655</b>	<b>50,680</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,062	6,062	6,062	-
Transfers out	(260,040)	(311,670)	(311,648)	22
<b>Total Other Financing Uses</b>	<b>(257,978)</b>	<b>(305,608)</b>	<b>(305,586)</b>	<b>22</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(92,633)</b>	<b>(41,931)</b>	<b>50,702</b>
<b>FUND BALANCES</b>				
Beginning of Year	-	92,633	840,742	748,109
End of Year	\$ -	\$ -	\$ 798,811	\$ 798,811

**Town of Ossining, New York**

**Statement of Net Position**

**Internal Service Fund - Workers' Compensation Benefits Fund**

**December 31, 2016**

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	Governmental Activities Internal Service Fund
<b>ASSETS</b>	
Cash and equivalents	\$ 3,122
Due from other funds	<u>7,643</u>
Total Assets	<u>10,765</u>
<b>LIABILITIES</b>	
Current liabilities	
Current portion of claims payable	1,100
Claims payable, less current portion	<u>9,665</u>
Total Liabilities	<u><u>\$ 10,765</u></u>

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

**Town of Ossining, New York**

**Statement of Revenues, Expenses and Changes**

**in Net Position**

**Internal Service Fund - Workers' Compensation Benefits Fund**

**Year Ended December 31, 2016**

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	Governmental Activities Internal Service Fund
<b>OPERATING REVENUES</b>	
Departmental charges	\$ 3,864
<b>OPERATING EXPENSES</b>	
Employee benefits	<u>3,864</u>
Income from Operations	-
<b>NET POSITION</b>	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

**Town of Ossining, New York**

**Statement of Cash Flows**

**Internal Service Fund - Workers' Compensation Benefits Fund**

**Year Ended December 31, 2016**

	<u>Governmental Activities Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from departmental charges	\$ 8,494
Cash payments to insurance carriers, claimants and other	<u>(8,494)</u>
Net Cash from Operating Activities	-
<b>CASH AND EQUIVALENTS</b>	
Beginning of Year	<u>3,122</u>
End of Year	<u><u>\$ 3,122</u></u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>	
Income from operations	\$ -
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Due from other funds	4,630
Claims payable	<u>(4,630)</u>
Net Cash from Operating Activities	<u><u>\$ -</u></u>

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

**Town of Ossining, New York**

Statement of Assets and Liabilities  
Fiduciary Fund  
December 31, 2016

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 64,037
Accounts receivable	<u>1,286</u>
 Total Assets	 <u><u>\$ 65,323</u></u>
 <b>LIABILITIES</b>	
Accounts payable	\$ 14,778
Deposits	<u>50,545</u>
 Total Liabilities	 <u><u>\$ 65,323</u></u>

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

## **Town of Ossining, New York**

Notes to Financial Statements  
December 31, 2016

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

The Town of Ossining, New York ("Town") was established in 1845 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as both the chief executive and chief financial officer. The Town 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 Town conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

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

The financial reporting entity consists of a) the primary government, which is the Town, b) organizations for which the Town is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town 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 Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town'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 Town's reporting entity.

#### **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 Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Position presents the financial position of the Town 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 Town does not allocate indirect expenses to functions in the Statement of Activities.

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

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

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

**C. Fund Financial Statements**

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town 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. Proprietary and 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 Town's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

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

General Fund - The General Fund constitutes the primary operating fund of the Town 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 Town are as follows:

Town Outside Villages Fund - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenues of this fund are real property taxes and non-property taxes.

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

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage and ambulance districts. The major revenue of this fund is real property taxes.

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

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

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

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

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

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

The accounting and financial reporting treatment 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.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liability and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**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 Town's deposit and investment policies are governed by State statutes. The Town 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 Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town 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

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

include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreement and obligations of New York State or its political subdivisions, and accordingly, the Town's policy provides for no credit risk on investments.

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

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town'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 Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2016.

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

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

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special districts taxes which are due April 1st and payable without penalty to April 30th. School districts taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County and school districts warrants and

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and the balance of forty percent on October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

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

**Due From/To Other Funds** - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2016, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement, insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

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

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

donation. Infrastructure assets consist of assets that were acquired or constructed subsequent to January 1, 2004.

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

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

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

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 has been satisfied. In government-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$4,725, \$22,320 and \$14,015 for payments received in advance in the Town Outside Villages, Special Districts and Non-Major funds. Such amount has 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.

The Town has reported deferred inflows of resources of \$487,149 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

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

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

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town 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 debt service, cable television purposes, town outside villages, special districts, trusts and parklands. The balance is classified as unrestricted.

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

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally

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

enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town 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 Town Board.

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

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

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

**F. Encumbrances**

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

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

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which is May 18, 2017.

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

**A. Budgetary Data**

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10<sup>th</sup>, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts and Debt Service funds.

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

- i) Budgets for General, Town Outside Villages, Highway, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary or Special Purpose funds.
- j) The Town 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 Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Town Board.
- k) Appropriations in General, Town Outside Villages, Highway, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted or as amended by the Town Board.

#### **B. Property Tax Limitation**

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, 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 Town 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 Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Town 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 Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

#### **D. Capital Projects Fund Deficit**

The unassigned deficit in the Capital Projects Fund of \$1,602,668 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. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

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

#### **A. Taxes Receivable**

Taxes receivable at December 31, 2016 consisted of the following:

Town and County taxes - Current	\$	187,246
School districts taxes - Current		35,395,937
Taxes receivable overdue		597,494
Property acquired for taxes		<u>38,148</u>
		36,218,825
Allowance for uncollectible taxes		<u>(38,148)</u>
	\$	<u><u>36,180,677</u></u>

School district taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2017. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$487,149, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

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

The balances reflected as due from/to other funds at December 31, 2016 were as follows:

Fund	Due From	Due To
Town Outside Villages	\$ -	\$ 7,457
Highway	-	186
Capital Projects	350	-
Non-Major Governmental	-	350
Internal Service - Workers' Compensation Benefits	7,643	-
	<u>\$ 7,993</u>	<u>\$ 7,993</u>

# Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

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

### C. Capital Assets

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

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Capital Assets, not being depreciated				
Land	\$ 929,073	\$ -	\$ -	\$ 929,073
Construction-in-Progress	2,074,939	273,513	1,795,939	552,513
Total Capital Assets, not being depreciated	<u>\$ 3,004,012</u>	<u>\$ 273,513</u>	<u>\$ 1,795,939</u>	<u>\$ 1,481,586</u>
Capital Assets, being depreciated				
Buildings and Improvements	\$ 3,126,171	\$ 32,144	\$ -	\$ 3,158,315
Machinery and Equipment	3,528,424	32,800	128,131	3,433,093
Infrastructure	4,282,630	1,817,239	-	6,099,869
Total Capital Assets, being depreciated	<u>10,937,225</u>	<u>1,882,183</u>	<u>128,131</u>	<u>12,691,277</u>
Less Accumulated Depreciation for				
Buildings and Improvements	1,676,974	128,193	-	1,805,167
Machinery and Equipment	2,812,318	15,991	128,131	2,700,178
Infrastructure	567,687	350,972	-	918,659
Total Accumulated Depreciation	<u>5,056,979</u>	<u>495,156</u>	<u>128,131</u>	<u>5,424,004</u>
Total Capital Assets, being depreciated, net	<u>\$ 5,880,246</u>	<u>\$ 1,387,027</u>	<u>\$ -</u>	<u>\$ 7,267,273</u>
Capital Assets, net	<u>\$ 8,884,258</u>	<u>\$ 1,660,540</u>	<u>\$ 1,795,939</u>	<u>\$ 8,748,859</u>

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

Governmental Activities	
General Government Support	\$ 25,849
Public Safety	9,962
Transportation	252,621
Culture and Recreation	98,756
Home and Community Services	<u>107,968</u>
Total Depreciation Expense	<u>\$ 495,156</u>

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

**D. Accrued Liabilities**

Accrued liabilities at December 31, 2016 were as follows:

	Fund				Total
	General	Town Outside Villages	Highway	Non-Major Governmental	
Payroll and Employee Benefits	\$ 10,703	\$ 1,080	\$ 4,208	\$ 909	\$ 16,900
Other	224,901	-	-	-	224,901
	<u>\$ 235,604</u>	<u>\$ 1,080</u>	<u>\$ 4,208</u>	<u>\$ 909</u>	<u>\$ 241,801</u>

**E. Short-Term Capital Borrowings**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2016	New Issues	Redemptions	Balance December 31, 2016
Various Capital Projects	2013	08/18/2017	0.84 %	<u>\$ 2,301,062</u>	<u>\$ 400,000</u>	<u>\$ 231,666</u>	<u>\$ 2,469,396</u>

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

Interest expenditures of \$4,188 were recorded in the fund financial statements in the General fund, \$10,478 in the Highway fund and \$1,396 in the Special Districts funds. Interest expense of \$16,584 was recorded in the government-wide financial statements for governmental activities.

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

**F. Long-Term Liabilities**

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2016:

	Balance January 1, 2016,	Additions	Maturities and/or Payments	Balance December 31, 2016	Due Within One Year
Bonds Payable					
Capital construction	\$ 4,256,359	\$ -	\$ 357,442	\$ 3,898,917	\$ 376,497
Other	1,028,641	-	87,558	941,083	88,503
	5,285,000	-	445,000	4,840,000	465,000
Claims Payable	15,395	3,864	8,494	10,765	1,100
Compensated Absences	56,668	51,391	6,000	102,059	10,000
Net Pension Liability	336,130	1,414,752	-	1,750,882	-
Other Post Employment Benefit Obligations Payable	4,963,885	1,235,560	465,378	5,734,067	-
	<u>\$ 10,657,078</u>	<u>\$ 2,705,567</u>	<u>\$ 924,872</u>	<u>\$ 12,437,773</u>	<u>\$ 476,100</u>

Each governmental fund's liability for compensated absences, net pension liability and other post employment benefit obligations is liquidated by the respective fund. The Town's indebtedness for bonds is satisfied by the Debt Service Fund, which is funded primarily by the General, Town Outside Villages, Highway and Special Districts funds. Claims are paid by the Internal Service Fund - Workers' Compensation Benefits Fund, which is funded by the various governmental funds.

**Bonds Payable**

Bonds payable at December 31, 2016 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2016
Public Improvements	2000	\$ 1,561,000	June, 2020	5.50 %	\$ 360,000
Public Improvements	2003	4,736,000	May, 2018	3.750 - 4.50	225,000
Public Improvements	2007	1,695,000	April, 2027	4.125 - 4.25	960,000
Public Improvements	2012	2,425,000	February, 2032	2.000 - 3.00	1,860,000
Public Improvements	2014	1,693,947	September, 2026	2.000 - 2.50	1,435,000
					<u>\$ 4,840,000</u>

Interest expenditures of \$155,150, were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$143,311 was recorded in the government-wide financial statements for governmental activities.

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

**Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2016 including interest payments of \$838,918 are as follows:

Year Ended December 31,	Principal	Interest
2017	\$ 465,000	\$ 141,056
2018	685,000	122,081
2019	460,000	103,106
2020	445,000	88,994
2021	330,000	77,594
2022-2026	1,720,000	248,744
2027-2031	655,000	56,143
2032	80,000	1,200
	<u>\$ 4,840,000</u>	<u>\$ 838,918</u>

The above general obligation bonds and installment purchase debt are direct obligations of the Town, for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Town.

**Claims Payable**

The Internal Service Fund reflects workers' compensation claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

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

	<u>2016</u>	<u>2015</u>
Balance - Beginning of Year	\$ 15,395	\$ 25,471
Provision for Claims and Claims Adjustment Expenses	3,864	2,725
Claims and Claims Adjustment Expenses Paid	<u>(8,494)</u>	<u>(12,801)</u>
Balance - End of Year	<u>\$ 10,765</u>	<u>\$ 15,395</u>
Due Within One Year	<u>\$ 1,100</u>	<u>\$ 1,500</u>

#### **Compensated Absences**

Sick leave for all Town employees may be accumulated, however, the Town is not required to pay accumulated sick leave upon retirement or termination. Employees covered under the Teamsters bargaining agreement may accumulate a maximum of 10 days of vacation which will be paid upon separation of service. Employees covered under the CSEA bargaining agreement forfeit vacation days not used by June 30<sup>th</sup> of the subsequent year. Certain employees are also eligible for compensation for terminal leave upon retirement. The value of compensated absences has been reflected in the government-wide financial statements.

#### **Pension Plans**

##### *New York State and Local Retirement System*

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

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

The ERS is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2016 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15	16.0 %
5 A15	13.1
6 A15	9.3

At December 31, 2016, the Town reported a liability of \$1,750,882 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2016, the Town's proportion was .0109087% which was an increase of 0.0009589% from its proportion measured as of March 31, 2015.

For the year ended December 31, 2016, the Town recognized pension expense in the government-wide financial statements of \$615,148. Pension expenditures of \$438,456 were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	
General	\$ 278,483
Town Outside Villages	15,819
Highway	134,663
Special Districts - Sewer Districts	2,870
Special Purpose	<u>6,621</u>
Total	<u>\$ 438,456</u>

# Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

At December 31, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,848	\$ 207,538
Changes of assumptions	466,908	-
Net difference between projected and actual earnings on pension plan investments	1,038,719	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	45,039	32,788
Town contributions subsequent to the measurement date	316,434	-
	<u>\$ 1,875,948</u>	<u>\$ 240,326</u>

\$316,434 reported as deferred outflows of resources related to ERS resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

Year Ended March 31,	
2017	\$ 331,802
2018	331,802
2019	331,802
2020	323,782

The total pension liability for the March 31, 2016 measurement date was determined by using an actuarial valuation as of April 1, 2015, with update procedures used to roll forward the total pension liabilities to March 31, 2016. The total pension liabilities for the March 31, 2015 measurement date were determined by using an actuarial valuation as of April 1, 2015. Significant actuarial assumptions used in the April 1, 2015 valuation were as follows:

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

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

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

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

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2016 and 2015 are summarized below.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38 %	7.30 %
International Equity	13	8.55
Private Equity	10	11.00
Real Estate	8	8.25
Absolute Return Strategies	3	6.75
Opportunistic Portfolio	3	8.60
Real Assets	3	8.65
Bonds and Mortgages	18	4.00
Cash	2	2.25
Inflation Indexed Bonds	2	4.00
	<u>100 %</u>	

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

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

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 3,948,112</u>	<u>\$ 1,750,882</u>	<u>\$ (105,683)</u>

The components of the collective net pension liability as of the March 31, 2016 measurement date were as follows:

Total pension liability	\$ 172,303,544,000
Fiduciary net position	<u>156,253,265,000</u>
Employers' net pension liability	<u>\$ 16,050,279,000</u>
Fiduciary net position as a percentage of total pension liability	<u>90.7%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the ERS's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2016 represent the employer contribution for the period of April 1, 2016 through December 31, 2016 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions for the nine months ended December 31, 2016 were \$316,434.

#### *Voluntary Defined Contribution Plan*

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

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

In addition to providing pension benefits, the Town 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 Town may vary according to length of service. The cost of providing post employment health care benefits is shared between the Town and the retired employee. Substantially all of the Town's employee's may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statements.

The Town'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

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post-retirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Assumed Increase</u>
2016	8.0 %
2017	7.0
2018	6.0
2019+	5.0

The amortization basis is the level percentage of payroll with a closed amortization approach with 23 years remaining in the amortization period. The actuarial assumptions included a 4% investment rate of return, a 3.5% inflation rate and a 2.5% annual payroll growth rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the entry age method.

The number of participants as of December 31, 2016 was as follows:

Active Employees	45
Retired Employees	<u>42</u>
Total	<u><u>87</u></u>

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

Amortization Component	
Actuarial Accrued Liability as of January 1, 2016	\$ 15,241,090
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	\$ 15,241,090
Funded Ratio	0.00%
Covered Payroll (Active plan members)	\$ 2,209,060
UAAL as a Percentage of Covered Payroll	689.94%
Annual Required Contribution	\$ 1,290,606
Adjustment to annual required contribution	(253,601)
Interest on Net OPEB Obligation	198,555
Annual OPEB Cost	1,235,560
Contributions Made	(465,378)
Increase in Net OPEB Obligation	770,182
Net OPEB Obligation - Beginning of Year	4,963,885
Net OPEB Obligation - End of Year	\$ 5,734,067

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

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 1,057,724	40.95 %	\$ 4,202,272
2015	1,185,223	35.74	4,963,885
2016	1,235,560	37.67	5,734,067

**G. Significant Commitments - Encumbrances**

As discussed in Note 2,A, Budgetary data, encumbrance accounting is utilized to the extent necessary to issue effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2016, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 1,312
Town Outside Village Fund	101
Highway Fund	68,776
	<u>\$ 70,189</u>

## Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

#### **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:

Transfers Out	Transfers In				Total
	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ 163,671	\$ 331,417	\$ 495,088
Town Outside Villages Fund	75,000	-	-	364,729	439,729
Highway Fund	-	-	118,333	72,236	190,569
Special Districts Fund	-	-	71,630	240,018	311,648
Non-Major Governmental Funds	-	6,062	-	-	6,062
	<u>\$ 75,000</u>	<u>\$ 6,062</u>	<u>\$ 353,634</u>	<u>\$ 1,008,400</u>	<u>\$ 1,443,096</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for Highway, Special Districts, Capital Projects and Special Purpose funds 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 Debt Service* - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

*Restricted for Cable Television Purposes* - the component of net position that represents funds restricted to provide enhancements to the Town's equipment used for public, educational or governmental ("PEG") video access services as delineated by the terms of the cable franchise agreement.

*Restricted for Town Outside Villages* - the component of net position that represents funds restricted for Town Outside Villages purposes.

**Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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

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

*Restricted for Trusts* - the component of net position that has been established to set aside funds in accordance with the terms of the grants.

*Restricted for Parklands* - the component of net position that has been established pursuant to New York State Law. These amounts represent funds received by the Town 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 recreation purposes.

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

# Town of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2016

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

### J. Fund Balances

	2016							2015						
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable														
Prepaid expenditures	\$ 64,949	\$ 3,577	\$ 32,035	\$ 696	\$ -	\$ 1,564	\$ 102,821	\$ 87,528	\$ 3,554	\$ 39,325	\$ 805	\$ -	\$ 1,488	\$ 132,700
Restricted														
Tax certioraris	-	-	-	-	-	-	-	-	10,223	7,855	7,858	-	-	25,936
Cable television purposes	-	72,813	-	-	-	-	72,813	-	62,564	-	-	-	-	62,564
Debt service	-	-	-	-	-	178,008	178,008	-	-	-	-	-	375,847	375,847
Trusts	-	-	-	-	-	164,525	164,525	-	-	-	-	-	190,956	190,956
Parklands	-	-	-	-	-	521	521	-	-	-	-	-	519	519
Total Restricted	-	72,813	-	-	-	343,054	415,867	-	72,787	7,855	7,858	-	567,322	655,822
Assigned														
Purchases on order														
General government support	1,312	101	-	-	-	-	1,413	2,237	101	-	-	-	-	2,338
Transportation	-	-	68,776	-	-	-	68,776	-	-	606	-	-	-	606
	1,312	101	68,776	-	-	-	70,189	2,237	101	606	-	-	-	2,944
Subsequent year's expenditures	75,000	-	-	-	-	504,000	579,000	53,880	-	-	-	-	2,062	55,942
Major Funds	-	2,554,244	870,099	798,115	-	-	4,222,458	-	2,045,698	728,487	832,079	-	-	3,606,264
Total Assigned	76,312	2,554,345	938,875	798,115	-	504,000	4,871,647	56,117	2,045,799	729,093	832,079	-	2,062	3,665,150
Unassigned	2,861,725	-	-	-	(1,602,668)	-	1,259,057	2,207,854	-	-	-	(1,460,992)	-	746,862
Total Fund Balances	\$ 3,002,986	\$ 2,630,735	\$ 970,910	\$ 798,811	\$ (1,602,668)	\$ 848,618	\$ 6,649,392	\$ 2,351,499	\$ 2,122,140	\$ 776,273	\$ 840,742	\$ (1,460,992)	\$ 570,872	\$ 5,200,534

## **Town of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2016

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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 retirement, insurance and certain other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Purchases on order represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions. The amounts are reflected as assigned fund balance except where the assignment would cause a negative unassigned fund balance.

Subsequent year's expenditures represent that at December 31, 2016, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balances in the capital projects.

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

#### **Litigation**

The Town, 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 pending, none are expected to have a material effect on the financial position of the Town, if adversely settled.

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

#### **Contingencies**

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits. Accordingly, the Town'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 Town anticipates such amounts, if any, to be immaterial.

## Town of Ossining, New York

Notes to Financial Statements (Concluded)  
December 31, 2016

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

#### **Risk Management**

The Town purchases various conventional insurance policies to limit its exposure to loss. The general liability policy provides coverage of \$1 million per occurrence and \$2 million in the aggregate. The public officials liability policy provides coverage up to \$10 million. In addition, the Town has an excess liability policy which provides coverage up to \$10 million per occurrence and \$20 million in the aggregate. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Effective January 1, 2009, the Town purchased conventional workers' compensation insurance. Previous to that, the Town was self-insured for workers' compensation benefits. The Town is responsible for outstanding claims under the previous self-insured plan. The Town retains the risk for these claims up to \$125,000 per year. Insurance coverage has been secured for losses in excess of \$125,000. The governmental funds are charged premiums by the Internal Service Fund.

The Town purchases conventional health insurance for its employees.

#### **Note 5 - Tax Abatements**

The Town has real property tax abatement agreements with housing development and redevelopment companies organized pursuant to Article V or Article 18-A of the General Municipal Law ("GML").

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT), with the exception of special district property taxes.

Copies of the agreements may be obtained from Thomas E. Warren, Comptroller, 16 Croton Avenue, Ossining, NY 10562, [twarren@townofossining.com](mailto:twarren@townofossining.com). Information relevant to disclosure of these agreements for the fiscal year ended December 31, 2016 is as follows:

Start Date	Agreement	Fund	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
9/9/1982	Maple House Associates	General	\$ 1,116,900	\$ 12.74351	\$ 14,233	\$ 730	\$ 13,503
1/25/2005	The Pines at Narrangansett	General	515,300	12.74351	6,567	791	5,776
6/1/2016 (original 3/23/2006)	Snowden House/ Standard Snowden Venture LP	General	1,151,400	12.74351	14,673	1,053	13,620
4/10/2014	Harbor Square Crossings LLC	General	585,750	12.74351	7,465	7,294	171
2/19/2014	507 North State Road LLC	General Unincorporated Area	87,763 87,763	12.74351 101.77277	1,118 8,932	768 6,134	350 2,798

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**Town of Ossining, New York**

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

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2016 (2)	\$ -	\$ 15,241,090	\$ 15,241,090	- %	\$ 2,209,060	689.94 %
January 1, 2015 (1)	-	14,581,373	14,581,373	-	2,155,180	676.57
January 1, 2014	-	13,165,172	13,165,172	-	2,602,675	505.83

(1) The following assumptions were modified with respect to the January 1, 2015 valuation date:

The annual rate of increase in health care costs was revised as of January 1, 2015 to better reflect future expectations, including updating long-term rates based on the Society of Actuaries Getzen model. A review of published national trend survey data in relation to the retiree health plan offerings was the basis for this change. The revised assumption resulted in an increase in liabilities.

Rates of turnover and retirement were determined based on the April 1, 2010 to March 31, 2015 experience study released by the actuaries for the New York State Employees' Retirement System and the New York State Police and Fire Retirement System. Revised tables have been utilized as of January 1, 2015 to better reflect recent experience. The revised assumption resulted in an increase in liabilities.

The mortality assumption has been revised as of January 1, 2015 to the sex-distinct RP-2014 Mortality tables for employees and healthy annuitants, adjusted backward to 2006 with Scale MP-2014, and then adjusted for mortality improvements with the Scale MP-2015 mortality improvement scale on a generational basis in order to reflect the continued improvement in mortality rates. The revised assumption resulted in a decrease in liabilities.

The election coverage percentage 1) for PFRS retirees at age 65 was revised from 10% to 0%, 2) for PFRS surviving spouses from 100% to 0% and 3) for ERS surviving spouses from 100% to 50% as of January 1, 2015 to better reflect actual experience. A review of the valuation data from January 1, 2009 to January 1, 2015 was the basis for the change. The revised assumption resulted in a decrease in liabilities.

(2) The following assumptions were modified with respect to the January 1, 2016 valuation date:

The annual rate of increase in health care costs was revised to better reflect future expectations. A review of published national trend survey data in relation to the retiree health plan offerings and an update to the Getzen model released in September 2016 was the basis for this change. The revised assumption resulted in an increase in liabilities.

The mortality assumption has been revised as of December 31, 2016 to the sex-distinct RP-2014 Mortality tables for employees and healthy annuitants, adjusted backward to 2006 with Scale MP-2014, and then adjusted for mortality improvements with the Scale MP-2016 mortality improvement scale on a generational basis. The revised assumption resulted in a minimal decrease in liabilities.

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## Town of Ossining, New York

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

	2016 (2)	2015
Town's proportion of the net pension liability (asset)	<u>0.0109087%</u>	<u>0.0099498%</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 1,750,882</u>	<u>\$ 336,130</u>
Town's covered-employee payroll	<u>\$ 2,860,051</u>	<u>\$ 2,745,057</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>61.22%</u>	<u>12.24%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>90.70%</u>	<u>97.90%</u>

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

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

## Town of Ossining, New York

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

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 419,255	\$ 504,839
Contributions in relation to the contractually required contribution	<u>(419,255)</u>	<u>(504,839)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	<u>\$ 2,699,124</u>	<u>\$ 2,762,475</u>
Contributions as a percentage of covered-employee payroll	<u>15.53%</u>	<u>18.27%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

**Town of Ossining, New York**

General Fund  
Comparative Balance Sheet  
December 31,

	2016	2015
<b>ASSETS</b>		
Cash and equivalents	\$ 15,863,681	\$ 13,624,933
Taxes receivable		
Town and County taxes	187,246	185,870
School districts taxes	35,395,937	35,875,113
Taxes receivable overdue	597,494	748,765
Property acquired for taxes	38,148	38,148
	36,218,825	36,847,896
Allowance for uncollectible taxes	(38,148)	(38,148)
	36,180,677	36,809,748
Other receivables		
Accounts	64,175	81,299
State and Federal aid	31,220	12,702
Due from other governments	73,014	68,053
	168,409	162,054
Prepaid expenditures	64,949	87,528
Total Assets	\$ 52,277,716	\$ 50,684,263
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 95,367	\$ 94,622
Accrued liabilities	235,604	173,962
Due to school districts	48,456,610	47,451,729
Due to other funds	-	188
Total Liabilities	48,787,581	47,720,501
Deferred inflows of resources		
Deferred tax revenues	487,149	612,263
Total Liabilities and Deferred Inflows of Resources	49,274,730	48,332,764
Fund balance		
Nonspendable	64,949	87,528
Assigned	76,312	56,117
Unassigned	2,861,725	2,207,854
Total Fund Balance	3,002,986	2,351,499
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 52,277,716	\$ 50,684,263

**Town of Ossining, New York**

**General Fund**

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

	2016			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,298,721	\$ 3,288,374	\$ 3,480,984	\$ 192,610
Other tax items	475,539	475,539	707,894	232,355
Departmental income	32,800	32,800	51,822	19,022
Intergovernmental charges	339,384	339,384	326,073	(13,311)
Licenses and permits	2,500	2,500	4,275	1,775
Use of money and property	42,600	42,600	47,263	4,663
Fines and forfeitures	225,000	225,000	73,238	(151,762)
Sale of property and compensation for loss	-	29,000	37,401	8,401
State aid	668,000	668,000	800,822	132,822
Federal aid	67,000	67,000	74,585	7,585
Miscellaneous	63,500	63,500	113,254	49,754
<b>Total Revenues</b>	<b>5,215,044</b>	<b>5,233,697</b>	<b>5,717,611</b>	<b>483,914</b>
<b>EXPENDITURES</b>				
Current				
General government support	2,379,908	2,397,520	2,298,207	99,313
Economic opportunity and development	610,675	610,675	555,649	55,026
Culture and recreation	557,495	587,420	575,570	11,850
Employee benefits	1,294,129	1,294,129	1,137,422	156,707
Debt service				
Interest	4,200	4,200	4,188	12
<b>Total Expenditures</b>	<b>4,846,407</b>	<b>4,893,944</b>	<b>4,571,036</b>	<b>322,908</b>
<b>Excess of Revenues Over Expenditures</b>	<b>368,637</b>	<b>339,753</b>	<b>1,146,575</b>	<b>806,822</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(424,754)	(495,092)	(495,088)	4
<b>Total Other Financing Uses</b>	<b>(424,754)</b>	<b>(495,092)</b>	<b>(495,088)</b>	<b>4</b>
<b>Net Change in Fund Balance</b>	<b>(56,117)</b>	<b>(155,339)</b>	<b>651,487</b>	<b>806,826</b>
<b>FUND BALANCE</b>				
Beginning of Year	56,117	155,339	2,351,499	2,196,160
End of Year	\$ -	\$ -	\$ 3,002,986	\$ 3,002,986

See independent auditors' report

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,248,557	\$ 3,243,276	\$ 3,469,254	\$ 225,978
459,797	459,797	591,125	131,328
34,800	34,800	41,031	6,231
350,799	350,799	343,111	(7,688)
2,500	2,500	4,720	2,220
40,800	40,800	48,779	7,979
225,000	225,000	141,319	(83,681)
-	-	10,132	10,132
674,600	674,600	689,708	15,108
67,000	67,000	88,994	21,994
84,300	84,300	60,704	(23,596)
5,188,153	5,182,872	5,488,877	306,005
2,565,075	2,524,854	2,400,654	124,200
615,005	661,039	625,684	35,355
552,015	627,566	616,668	10,898
1,308,257	1,254,337	1,212,894	41,443
-	-	-	-
5,040,352	5,067,796	4,855,900	211,896
147,801	115,076	632,977	517,901
35,697	35,697	35,697	-
(336,839)	(469,989)	(469,984)	5
(301,142)	(434,292)	(434,287)	5
(153,341)	(319,216)	198,690	517,906
153,341	319,216	2,152,809	1,833,593
\$ -	\$ -	\$ 2,351,499	\$ 2,351,499

**Town of Ossining, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2016

(With Comparative Actuals for 2015)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2015 Actual
<b>REAL PROPERTY TAXES</b>	<b>\$ 3,298,721</b>	<b>\$ 3,288,374</b>	<b>\$ 3,480,984</b>	<b>\$ 192,610</b>	<b>\$ 3,469,254</b>
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	25,539	25,539	11,847	(13,692)	24,999
Gain on sale of tax acquired property	-	-	194,306	194,306	-
Interest and penalties on real property taxes	450,000	450,000	501,741	51,741	566,126
	<u>475,539</u>	<u>475,539</u>	<u>707,894</u>	<u>232,355</u>	<u>591,125</u>
<b>DEPARTMENTAL INCOME</b>					
Reimbursement for tax sale advertising	10,000	10,000	21,240	11,240	18,030
Clerk fees	7,300	7,300	9,703	2,403	7,769
Public health fees	8,500	8,500	9,564	1,064	11,450
Parks and recreation fees	5,000	5,000	9,465	4,465	2,150
Marina and dock fees	2,000	2,000	1,850	(150)	1,632
	<u>32,800</u>	<u>32,800</u>	<u>51,822</u>	<u>19,022</u>	<u>41,031</u>
<b>INTERGOVERNMENTAL CHARGES</b>					
Reimbursement for election expenses	15,500	15,500	17,353	1,853	17,138
Reimbursement for parking violations	122,807	122,807	122,807	-	139,104
Reimbursement for clerk services	201,077	201,077	185,913	(15,164)	186,869
	<u>339,384</u>	<u>339,384</u>	<u>326,073</u>	<u>(13,311)</u>	<u>343,111</u>
<b>LICENSES AND PERMITS</b>					
Dog license fees	2,500	2,500	4,275	1,775	4,720
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	25,000	25,000	31,185	6,185	23,071
Rental of real property	17,600	17,600	16,078	(1,522)	25,708
	<u>42,600</u>	<u>42,600</u>	<u>47,263</u>	<u>4,663</u>	<u>48,779</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	225,000	225,000	73,238	(151,762)	141,319
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**SALE OF PROPERTY AND  
COMPENSATION FOR LOSS**

Minor sales	-	-	1,145	1,145	5,074
Insurance recoveries	-	29,000	36,256	7,256	5,058
	-	29,000	37,401	8,401	10,132

**STATE AID**

Per capita	151,000	151,000	151,987	987	151,987
Mortgage tax	485,000	485,000	621,644	136,644	498,753
Supplemental Nutrition Assistance Program	32,000	32,000	26,315	(5,685)	28,841
Other	-	-	876	876	10,127
	668,000	668,000	800,822	132,822	689,708

**FEDERAL AID**

Title III B	10,000	10,000	9,974	(26)	9,974
Title III C-1	21,000	21,000	30,330	9,330	33,405
Title III C-2	21,000	21,000	15,065	(5,935)	24,883
Commodity funding	15,000	15,000	19,216	4,216	20,732
	67,000	67,000	74,585	7,585	88,994

**MISCELLANEOUS**

Call-A-Cab	25,000	25,000	21,386	(3,614)	22,153
Senior Nutrition Program	29,000	29,000	23,253	(5,747)	27,272
Refund of prior year's expenditures	-	-	4,403	4,403	313
Gifts and donations	-	-	50,000	50,000	750
Other	9,500	9,500	14,212	4,712	10,216
	63,500	63,500	113,254	49,754	60,704

**TOTAL REVENUES**

5,215,044	5,233,697	5,717,611	483,914	5,488,877
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**Town of Ossining, New York**

General Fund

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

Year Ended December 31, 2016

(With Comparative Actuals for 2015)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2015 Actual</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in					
Debt Service Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,697</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u><u>\$ 5,215,044</u></u>	<u><u>\$ 5,233,697</u></u>	<u><u>\$ 5,717,611</u></u>	<u><u>\$ 483,914</u></u>	<u><u>\$ 5,524,574</u></u>

**Town of Ossining, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2016

(With Comparative Actuals for 2015)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2015 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 45,336	\$ 45,336	\$ 45,007	\$ 329	\$ 44,911
Town Justice	600,479	590,758	570,886	19,872	546,902
Supervisor	135,468	146,003	143,262	2,741	191,562
Auditor	25,558	25,558	24,583	975	24,379
Tax Collector	195,771	203,161	199,242	3,919	174,249
Assessor	448,881	440,853	429,497	11,356	430,267
Town Clerk	215,359	213,760	213,734	26	215,091
Town Attorney	119,835	121,147	115,150	5,997	195,043
Engineer	4,270	4,270	4,269	1	7,478
Elections	79,034	79,034	77,603	1,431	76,053
Buildings	197,267	197,215	193,274	3,941	203,023
Central communications	39,972	40,024	40,024	-	45,307
Central data processing	146,887	146,887	140,920	5,967	150,107
Unallocated insurance	55,804	55,804	55,079	725	50,573
Judgments and claims	5,000	23,537	20,431	3,106	27,444
Filing fees	3,000	3,000	2,010	990	2,078
Taxes on Town owned property	4,000	4,000	2,628	1,372	4,334
Metropolitan commuter transportation mobility tax	7,987	7,987	6,653	1,334	7,058
Miscellaneous	-	15,391	13,955	1,436	-
Contingency	50,000	33,795	-	33,795	-
	<u>2,379,908</u>	<u>2,397,520</u>	<u>2,298,207</u>	<u>99,313</u>	<u>2,395,859</u>
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>					
Veteran's services	4,000	4,000	3,222	778	7,990
Nutrition - C-1	78,760	84,300	83,987	313	78,116
Nutrition - C-2	51,500	45,960	31,680	14,280	42,069
Transportation support services	427,515	427,515	412,117	15,398	472,297
Supplemental Nutrition Assistance Program	30,000	30,000	22,231	7,769	26,743
R.U.O.K. Program	18,900	18,900	2,412	16,488	3,264
	<u>610,675</u>	<u>610,675</u>	<u>555,649</u>	<u>55,026</u>	<u>630,479</u>

**CULTURE AND RECREATION**

Parks	454,384	472,712	464,614	8,098	518,892
Youth programs	51,737	51,099	48,690	2,409	47,676
Celebrations	32,574	33,212	33,211	1	29,427
Parks sewer lift stations	18,800	30,397	29,055	1,342	20,673

	<u>557,495</u>	<u>587,420</u>	<u>575,570</u>	<u>11,850</u>	<u>616,668</u>
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**EMPLOYEE BENEFITS**

State retirement	345,667	345,667	278,483	67,184	334,143
Social security	168,370	168,370	148,937	19,433	157,800
Workers' compensation benefits	17,190	17,190	15,055	2,135	48,710
Life and dental insurance	47,000	47,000	43,370	3,630	42,973
Unemployment benefits	10,000	10,000	-	10,000	2,075
Disability insurance	3,000	3,000	2,834	166	3,078
Hospital and medical insurance	702,902	702,902	648,743	54,159	624,115

	<u>1,294,129</u>	<u>1,294,129</u>	<u>1,137,422</u>	<u>156,707</u>	<u>1,212,894</u>
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**DEBT SERVICE**

Bond anticipation notes					
Interest	4,200	4,200	4,188	12	-

**TOTAL EXPENDITURES**

	<u>4,846,407</u>	<u>4,893,944</u>	<u>4,571,036</u>	<u>322,908</u>	<u>4,855,900</u>
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**OTHER FINANCING USES**

Transfers out					
Debt Service Fund	231,421	231,421	231,417	4	236,834
Capital Projects Fund	93,333	163,671	163,671	-	133,150
Special Purpose Fund	100,000	100,000	100,000	-	100,000

**TOTAL OTHER FINANCING USES**

	<u>424,754</u>	<u>495,092</u>	<u>495,088</u>	<u>4</u>	<u>469,984</u>
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**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

	<u>\$ 5,271,161</u>	<u>\$ 5,389,036</u>	<u>\$ 5,066,124</u>	<u>\$ 322,912</u>	<u>\$ 5,325,884</u>
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**Town of Ossining, New York**

Town Outside Villages Fund  
Comparative Balance Sheet  
December 31,

	2016	2015
<b>ASSETS</b>		
Cash and equivalents	\$ 2,393,113	\$ 2,145,582
Receivables		
Accounts	54,084	55,132
Due from other governments	210,635	205,200
	264,719	260,332
Prepaid expenditures	3,577	3,554
Total Assets	\$ 2,661,409	\$ 2,409,468
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 17,412	\$ 13,544
Accrued liabilities	1,080	903
Due to other funds	7,457	272,881
Unearned revenues	4,725	-
Total Liabilities	30,674	287,328
Fund balance		
Nonspendable	3,577	3,554
Restricted	72,813	72,787
Assigned	2,554,345	2,045,799
Total Fund Balance	2,630,735	2,122,140
Total Liabilities and Fund Balance	\$ 2,661,409	\$ 2,409,468

**Town of Ossining, New York**

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

	2016			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,789,159	\$ 2,781,930	\$ 2,781,930	\$ -
Other tax items	123,071	130,327	161,607	31,280
Non-property taxes	690,000	690,000	789,350	99,350
Departmental income	82,150	82,150	80,600	(1,550)
Use of money and property	5,000	5,000	8,737	3,737
Licenses and permits	-	-	-	-
Miscellaneous	-	-	35	35
<b>Total Revenues</b>	<b>3,689,380</b>	<b>3,689,407</b>	<b>3,822,259</b>	<b>132,852</b>
<b>EXPENDITURES</b>				
Current				
General government support	373,226	417,175	332,430	84,745
Public safety	1,999,007	2,005,356	1,878,358	126,998
Culture and recreation	341,758	342,758	342,758	-
Home and community services	51,600	51,899	20,643	31,256
Employee benefits	415,518	414,218	299,746	114,472
<b>Total Expenditures</b>	<b>3,181,109</b>	<b>3,231,406</b>	<b>2,873,935</b>	<b>357,471</b>
Excess of Revenues Over Expenditures	508,271	458,001	948,324	490,323
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(508,372)	(508,372)	(439,729)	68,643
<b>Total Other Financing Uses</b>	<b>(508,372)</b>	<b>(508,372)</b>	<b>(439,729)</b>	<b>68,643</b>
Net Change in Fund Balance	(101)	(50,371)	508,595	558,966
<b>FUND BALANCE</b>				
Beginning of Year	101	50,371	2,122,140	2,071,769
End of Year	\$ -	\$ -	\$ 2,630,735	\$ 2,630,735

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,795,646	\$ 2,790,045	\$ 2,790,045	\$ -
117,091	117,091	201,030	83,939
700,000	700,000	779,607	79,607
84,300	84,300	71,815	(12,485)
5,000	5,000	5,251	251
-	-	700	700
5,000	5,000	870	(4,130)
3,707,037	3,701,436	3,849,318	147,882
431,404	256,382	230,056	26,326
2,146,038	2,150,802	2,142,730	8,072
341,416	342,416	342,415	1
53,700	54,323	23,091	31,232
373,018	348,764	262,877	85,887
3,345,576	3,152,687	3,001,169	151,518
361,461	548,749	848,149	299,400
539	539	539	-
(362,000)	(601,898)	(601,895)	3
(361,461)	(601,359)	(601,356)	3
-	(52,610)	246,793	299,403
-	52,610	1,875,347	1,822,737
\$ -	\$ -	\$ 2,122,140	\$ 2,122,140

**Town of Ossining, New York**

**Town Outside Villages Fund**

**Schedule of Revenues and Other Financing Sources Compared to Budget**

**Year Ended December 31, 2016**

**(With Comparative Actuals for 2015)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2015 Actual
<b>REAL PROPERTY TAXES</b>	<b>\$ 2,789,159</b>	<b>\$ 2,781,930</b>	<b>\$ 2,781,930</b>	<b>\$ -</b>	<b>\$ 2,790,045</b>
<b>OTHER TAX ITEMS</b>					
Franchise fees	120,000	127,256	158,229	30,973	198,025
Payments in lieu of taxes	3,071	3,071	3,378	307	3,005
	123,071	130,327	161,607	31,280	201,030
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	690,000	690,000	789,350	99,350	779,607
<b>DEPARTMENTAL INCOME</b>					
Alarm fees and fines	9,500	9,500	9,352	(148)	9,335
Building inspection fees	65,000	65,000	67,172	2,172	57,899
Zoning fees	750	750	450	(300)	1,050
Planning Board fees	6,100	6,100	2,430	(3,670)	2,425
Other fees	800	800	1,196	396	1,106
	82,150	82,150	80,600	(1,550)	71,815
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	5,000	5,000	8,737	3,737	5,251
<b>LICENSES AND PERMITS</b>					
Film permits	-	-	-	-	700

**MISCELLANEOUS**Refund of prior year's expenditures  
Unclassified

-	-	-	-	800
-	-	35	35	70

-	-	35	35	870
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**TOTAL REVENUES**

3,689,380	3,689,407	3,822,259	132,852	3,849,318
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**OTHER FINANCING SOURCES**Transfers in  
Debt Service Fund

-	-	-	-	539
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**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

<u>\$ 3,689,380</u>	<u>\$ 3,689,407</u>	<u>\$ 3,822,259</u>	<u>\$ 132,852</u>	<u>\$ 3,849,857</u>
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**Town of Ossining, New York**

Town Outside Villages Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2016

(With Comparative Actuals for 2015)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2015 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Supervisor	\$ 33,076	\$ 33,076	\$ 30,863	\$ 2,213	\$ -
Auditor	14,076	14,376	14,376	-	17,537
Attorney	33,250	33,250	25,897	7,353	-
Engineer	72,582	72,582	72,582	-	57,120
Central communications	101	7,256	7,256	-	-
Central data processing	85,937	85,937	82,446	3,491	79,825
Unallocated insurance	22,986	22,986	16,986	6,000	17,410
Judgments and claims	8,000	51,141	49,932	1,209	9,834
Filing fees	2,500	2,500	425	2,075	427
Intermunicipal Agreement study	-	31,122	31,122	-	47,564
Metropolitan commuter transportation mobility tax	718	718	545	173	339
Contingency	100,000	62,231	-	62,231	-
	<u>373,226</u>	<u>417,175</u>	<u>332,430</u>	<u>84,745</u>	<u>230,056</u>
<b>PUBLIC SAFETY</b>					
Police	1,824,700	1,824,929	1,700,543	124,386	1,997,848
Control of animals	11,652	11,652	11,652	-	11,096
Building inspection	162,655	168,775	166,163	2,612	133,786
	<u>1,999,007</u>	<u>2,005,356</u>	<u>1,878,358</u>	<u>126,998</u>	<u>2,142,730</u>
<b>CULTURE AND RECREATION</b>					
Intermunicipal Agreement with Village of Ossining	<u>341,758</u>	<u>342,758</u>	<u>342,758</u>	<u>-</u>	<u>342,415</u>

**HOME AND COMMUNITY SERVICES**

Zoning Board	1,650	1,796	1,039	757	573
Planning Board	37,450	37,603	16,779	20,824	20,184
Storm Water Management	12,000	12,000	2,500	9,500	2,004
Environmental Advisory Council	500	500	325	175	330

	<u>51,600</u>	<u>51,899</u>	<u>20,643</u>	<u>31,256</u>	<u>23,091</u>
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**EMPLOYEE BENEFITS**

State retirement	30,228	30,228	15,819	14,409	13,813
Social security	16,142	16,142	12,175	3,967	7,635
Workers' compensation benefits	58,970	57,670	7,858	49,812	(2,380)
Life and dental insurance	5,587	5,587	5,538	49	5,318
Disability insurance	500	500	179	321	179
Hospital and medical insurance	304,091	304,091	258,177	45,914	238,312

	<u>415,518</u>	<u>414,218</u>	<u>299,746</u>	<u>114,472</u>	<u>262,877</u>
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**TOTAL EXPENDITURES**

	<u>3,181,109</u>	<u>3,231,406</u>	<u>2,873,935</u>	<u>357,471</u>	<u>3,001,169</u>
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**OTHER FINANCING USES**

Transfers out					
Highway Fund	75,000	75,000	75,000	-	200,000
Capital Projects Fund	-	-	-	-	39,898
Workers Compensation Benefits Fund	68,639	68,639	-	68,639	-
Debt Service Fund	364,733	364,733	364,729	4	361,997

**TOTAL OTHER FINANCING USES**

	<u>508,372</u>	<u>508,372</u>	<u>439,729</u>	<u>68,643</u>	<u>601,895</u>
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**TOTAL EXPENDITURES  
AND OTHER FINANCING USES**

	<u>\$ 3,689,481</u>	<u>\$ 3,739,778</u>	<u>\$ 3,313,664</u>	<u>\$ 426,114</u>	<u>\$ 3,603,064</u>
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See independent auditors' report

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**Town of Ossining, New York**

Highway Fund  
Comparative Balance Sheet  
December 31,

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 960,813</u>	<u>\$ 822,053</u>
Receivables		
Accounts	14,450	10,972
Due from other governments	<u>3,357</u>	<u>3,720</u>
	<u>17,807</u>	<u>14,692</u>
Prepaid expenditures	<u>32,035</u>	<u>39,325</u>
Total Assets	<u><u>\$ 1,010,655</u></u>	<u><u>\$ 876,070</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 35,351	\$ 71,854
Accrued liabilities	4,208	7,468
Due to other funds	<u>186</u>	<u>20,475</u>
Total Liabilities	<u>39,745</u>	<u>99,797</u>
Fund balance		
Nonspendable	32,035	39,325
Restricted	-	7,855
Assigned	<u>938,875</u>	<u>729,093</u>
Total Fund Balance	<u>970,910</u>	<u>776,273</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,010,655</u></u>	<u><u>\$ 876,070</u></u>

**Town of Ossining, New York**

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

	2016			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,276,290	\$ 2,270,390	\$ 2,270,390	\$ -
Other tax items	2,484	2,484	2,757	273
Departmental income	6,000	6,000	16,640	10,640
Use of money and property	1,000	1,000	1,608	608
Sale of property and compen- sation for loss	-	-	6,835	6,835
State aid	-	-	-	-
Miscellaneous	1,000	1,000	30,057	29,057
Total Revenues	2,286,774	2,280,874	2,328,287	47,413
<b>EXPENDITURES</b>				
Current				
General government support	169,466	203,617	187,787	15,830
Transportation	1,322,646	1,386,001	1,239,113	146,888
Employee benefits	669,186	635,001	580,703	54,298
Debt service				
Interest				
Bond anticipation notes	10,509	10,509	10,478	31
Total Expenditures	2,171,807	2,235,128	2,018,081	217,047
Excess of Revenues Over Expenditures	114,967	45,746	310,206	264,460
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	75,000	75,000	75,000	-
Transfers out	(190,573)	(190,573)	(190,569)	4
Total Other Financing Uses	(115,573)	(115,573)	(115,569)	4
Net Change in Fund Balance	(606)	(69,827)	194,637	264,464
<b>FUND BALANCE</b>				
Beginning of Year	606	69,827	776,273	706,446
End of Year	\$ -	\$ -	\$ 970,910	\$ 970,910

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,260,869	\$ 2,256,339	\$ 2,256,339	\$ -
2,447	2,447	2,430	(17)
6,000	6,000	6,280	280
1,000	1,000	1,053	53
-	-	19,348	19,348
-	-	18,957	18,957
6,000	6,000	23,890	17,890
2,276,316	2,271,786	2,328,297	56,511
145,939	150,551	138,409	12,142
1,287,899	1,426,188	1,355,141	71,047
648,042	543,582	534,597	8,985
17,417	17,417	15,570	1,847
2,099,297	2,137,738	2,043,717	94,021
177,019	134,048	284,580	150,532
5,408	205,408	205,408	-
(191,716)	(542,553)	(542,549)	4
(186,308)	(337,145)	(337,141)	4
(9,289)	(203,097)	(52,561)	150,536
9,289	203,097	828,834	625,737
\$ -	\$ -	\$ 776,273	\$ 776,273

**Town of Ossining, New York**

Special Districts Fund  
Combining Balance Sheet - Sub-Funds  
December 31, 2016  
(With Comparative Totals for 2015)

		Sewer Districts		
	Townwide Water	Conso- lidated	North State Road	Lighting
<b>ASSETS</b>				
Cash and equivalents	\$ 25,055	\$ 573,725	\$ 2,266	\$ 6,869
Receivables				
Due from other governments	39	27,239	43	100
Due from other funds	-	-	-	-
	39	27,239	43	100
Prepaid expenditures	-	696	-	-
Total Assets	<u>\$ 25,094</u>	<u>\$ 601,660</u>	<u>\$ 2,309</u>	<u>\$ 6,969</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ -	\$ 147,091	\$ -	\$ 6,732
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	147,091	-	6,732
Fund balances				
Nonspendable	-	696	-	-
Restricted	-	-	-	-
Assigned	25,094	453,873	2,309	237
Total Fund Balances	25,094	454,569	2,309	237
Total Liabilities and Fund Balances	<u>\$ 25,094</u>	<u>\$ 601,660</u>	<u>\$ 2,309</u>	<u>\$ 6,969</u>

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2016	2015
\$ 32,621	\$ 245,617	\$ 84,628	\$ 970,781	\$ 955,234
762	638	709	29,530	4,096
-	-	-	-	2,500
762	638	709	29,530	6,596
-	-	-	696	805
<u>\$ 33,383</u>	<u>\$ 246,255</u>	<u>\$ 85,337</u>	<u>\$ 1,001,007</u>	<u>\$ 962,635</u>
\$ -	\$ 25,198	\$ 855	\$ 179,876	\$ 91,861
-	-	-	-	30,032
-	-	22,320	22,320	-
-	25,198	23,175	202,196	121,893
-	-	-	696	805
-	-	-	-	7,858
33,383	221,057	62,162	798,115	832,079
33,383	221,057	62,162	798,811	840,742
<u>\$ 33,383</u>	<u>\$ 246,255</u>	<u>\$ 85,337</u>	<u>\$ 1,001,007</u>	<u>\$ 962,635</u>

**Town of Ossining, New York**

Special Districts Fund  
Combining Schedule of Revenues, Expenditures and Changes  
In Fund Balances - Sub-Funds  
Year Ended December 31, 2016  
(With Comparative Totals for 2015)

		Sewer Districts		
	Townwide Water	Conso- lidated	North State Road	Lighting
<b>REVENUES</b>				
Real property taxes	\$ 54,133	\$ 266,221	\$ 47,423	\$ 82,404
Other tax items	-	-	-	-
Departmental income	-	128,965	5,305	-
Intergovernmental charges	-	-	-	-
Use of money and property	74	1,138	15	17
Miscellaneous	-	-	-	-
Total Revenues	<u>54,207</u>	<u>396,324</u>	<u>52,743</u>	<u>82,421</u>
<b>EXPENDITURES</b>				
Current				
General government support	1,429	24,819	1,018	3,759
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	64,618
Home and community services	-	257,949	-	-
Debt service				
Bond anticipation note				
Interest	-	-	-	1,396
Total Expenditures	<u>1,429</u>	<u>282,768</u>	<u>1,018</u>	<u>69,773</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>52,778</u>	<u>113,556</u>	<u>51,725</u>	<u>12,648</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	6,062	-
Transfers out	(48,419)	(169,813)	(56,250)	(20,781)
Total Other Financing Uses	<u>(48,419)</u>	<u>(169,813)</u>	<u>(50,188)</u>	<u>(20,781)</u>
Net Change in Fund Balances	4,359	(56,257)	1,537	(8,133)
<b>FUND BALANCES</b>				
Beginning of Year	<u>20,735</u>	<u>510,826</u>	<u>772</u>	<u>8,370</u>
End of Year	<u>\$ 25,094</u>	<u>\$ 454,569</u>	<u>\$ 2,309</u>	<u>\$ 237</u>

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2016	2015
\$ 670,354	\$ 554,635	\$ 627,709	\$ 2,302,879	\$ 2,243,792
-	-	-	-	688
-	-	-	134,270	166,340
-	-	259,165	259,165	253,432
35	546	387	2,212	1,646
-	-	-	-	40
670,389	555,181	887,261	2,698,526	2,665,938
29,996	25,838	22,956	109,815	84,544
643,206	-	-	643,206	633,016
-	-	852,595	852,595	837,178
-	-	-	64,618	67,514
-	505,292	-	763,241	867,992
-	-	-	1,396	-
673,202	531,130	875,551	2,434,871	2,490,244
(2,813)	24,051	11,710	263,655	175,694
-	-	-	6,062	2,319
(7,034)	(6,955)	(2,396)	(311,648)	(278,460)
(7,034)	(6,955)	(2,396)	(305,586)	(276,141)
(9,847)	17,096	9,314	(41,931)	(100,447)
43,230	203,961	52,848	840,742	941,189
\$ 33,383	\$ 221,057	\$ 62,162	\$ 798,811	\$ 840,742

**Town of Ossining, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 1,059,567</u>	<u>\$ 708,477</u>
Receivables		
State and Federal aid	81,496	226,252
Due from other funds	<u>350</u>	<u>3,065</u>
	<u>81,846</u>	<u>229,317</u>
Total Assets	<u><u>\$ 1,141,413</u></u>	<u><u>\$ 937,794</u></u>
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 274,685	\$ 97,724
Bond anticipation notes payable	<u>2,469,396</u>	<u>2,301,062</u>
Total Liabilities	2,744,081	2,398,786
Fund deficit		
Unassigned	<u>(1,602,668)</u>	<u>(1,460,992)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 1,141,413</u></u>	<u><u>\$ 937,794</u></u>

**Town of Ossining, New York**

**Capital Projects Fund**

**Comparative Statement of Revenues, Expenditures and Changes**

**in Fund Balance**

**Years Ended December 31,**

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>		
State aid	\$ 31,590	\$ 225,851
<b>EXPENDITURES</b>		
Capital outlay	<u>526,900</u>	<u>1,356,292</u>
Deficiency of Revenues Over Expenditures	(495,310)	(1,130,441)
<b>OTHER FINANCING SOURCES</b>		
Transfers in	<u>353,634</u>	<u>684,641</u>
Net Change in Fund Balance	(141,676)	(445,800)
<b>FUND DEFICIT</b>		
Beginning of Year	<u>(1,460,992)</u>	<u>(1,015,192)</u>
End of Year	<u><u>\$ (1,602,668)</u></u>	<u><u>\$ (1,460,992)</u></u>

Town of Ossining, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project through December 31, 2016

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance
Shinehouse Restoration	\$ 190,643	\$ 178,673	\$ 11,970
Old Albany Post Road Dead-End	1,775,000	1,771,905	3,095
Town-wide Revaluation	1,800,000	1,267,242	532,758
Spray Park Recirculation Pump	220,000	66,197	153,803
Justice Court Assistance Program 2015	6,060	3,867	2,193
2015 Street Paving	458,221	448,231	9,990
Cedar Lane Park Electric Restoration	60,000	51,835	8,165
MUNIS Implementation	180,762	144,558	36,204
2015 LED Street Lighting	200,000	104,866	95,134
Justice Court Assistance Program 2016	6,555	2,514	4,041
Sanitary Sewer Improvements	51,630	42,255	9,375
2016 Street Paving	25,035	25,035	-
Totals	<u>\$ 4,973,906</u>	<u>\$ 4,107,178</u>	<u>\$ 866,728</u>

Total Revenues	Fund Balance (Deficit) at December 31, 2016	Bond Anticipation Notes Outstanding at December 31, 2016
190,643	\$ 11,970	\$ -
392,271	(1,379,634)	1,382,729
1,080,000	(187,242)	720,000
33,333	(32,864)	186,667
6,060	2,193	-
458,221	9,990	-
60,000	8,165	-
180,762	36,204	-
20,000	(84,866)	180,000
6,555	4,041	-
51,630	9,375	-
25,035	-	-
<u>2,504,510</u>	<u>\$ (1,602,668)</u>	<u>\$ 2,469,396</u>

**Town of Ossining, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2016  
(With Comparative Totals for 2015)

			Total Non-Major Governmental Funds	
	Special Purpose	Debt Service	2016	2015
<b>ASSETS</b>				
Cash and equivalents	\$ 158,985	\$ 682,008	\$ 840,993	\$ 262,706
Investments	26,212	-	26,212	26,196
Receivables				
Accounts	300	-	300	1,500
Due from other governments	285	-	285	490
Due from other funds	-	-	-	308,803
	585	-	585	310,793
Prepaid expenditures	1,564	-	1,564	1,488
Total Assets	<u>\$ 187,346</u>	<u>\$ 682,008</u>	<u>\$ 869,354</u>	<u>\$ 601,183</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 5,462	\$ -	\$ 5,462	\$ 10,738
Accrued liabilities	909	-	909	1,034
Due to other funds	350	-	350	3,065
Unearned revenues	14,015	-	14,015	15,474
Total Liabilities	<u>20,736</u>	<u>-</u>	<u>20,736</u>	<u>30,311</u>
Fund balances				
Nonspendable	1,564	-	1,564	1,488
Restricted	165,046	178,008	343,054	567,322
Assigned	-	504,000	504,000	2,062
Total Fund Balances	<u>166,610</u>	<u>682,008</u>	<u>848,618</u>	<u>570,872</u>
Total Liabilities and Fund Balances	<u>\$ 187,346</u>	<u>\$ 682,008</u>	<u>\$ 869,354</u>	<u>\$ 601,183</u>

See independent auditors' report

**Town of Ossining, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2016  
(With Comparative Totals for 2015)

	Special Purpose	Debt Service	Total Non-Major Governmental Funds	
			2016	2015
<b>REVENUES</b>				
Departmental income	\$ 191,621	\$ -	\$ 191,621	\$ 127,155
Use of money and property	488	1,911	2,399	2,568
State aid	-	-	-	1,451
Miscellaneous	2,169	-	2,169	1,611
	<u>194,278</u>	<u>1,911</u>	<u>196,189</u>	<u>132,785</u>
<b>EXPENDITURES</b>				
Current				
Home and community services	168,164	-	168,164	239,588
Employee benefits	152,467	-	152,467	53,669
Debt service				
Principal	-	445,000	445,000	433,947
Interest	-	155,150	155,150	169,307
	<u>320,631</u>	<u>600,150</u>	<u>920,781</u>	<u>896,511</u>
Deficiency of Revenues Over Expenditures	<u>(126,353)</u>	<u>(598,239)</u>	<u>(724,592)</u>	<u>(763,726)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	100,000	908,400	1,008,400	1,011,504
Transfers out	-	(6,062)	(6,062)	(47,220)
	<u>100,000</u>	<u>902,338</u>	<u>1,002,338</u>	<u>964,284</u>
Net Change in Fund Balances	<u>(26,353)</u>	<u>304,099</u>	<u>277,746</u>	<u>200,558</u>
<b>FUND BALANCES</b>				
Beginning of Year	<u>192,963</u>	<u>377,909</u>	<u>570,872</u>	<u>370,314</u>
End of Year	<u>\$ 166,610</u>	<u>\$ 682,008</u>	<u>\$ 848,618</u>	<u>\$ 570,872</u>

See independent auditors' report

**Town of Ossining, New York**

Special Purpose Fund  
Comparative Balance Sheet  
December 31,

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 158,985	\$ 193,412
Investments	<u>26,212</u>	<u>26,196</u>
Receivables		
Accounts	300	1,500
Due from other governments	285	490
Due from other funds	<u>-</u>	<u>188</u>
	<u>585</u>	<u>2,178</u>
Prepaid expenditures	<u>1,564</u>	<u>1,488</u>
Total Assets	<u><u>\$ 187,346</u></u>	<u><u>\$ 223,274</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 5,462	\$ 10,738
Accrued liabilities	909	1,034
Due to other funds	350	3,065
Unearned revenues	<u>14,015</u>	<u>15,474</u>
Total Liabilities	<u>20,736</u>	<u>30,311</u>
Fund balance		
Nonspendable	1,564	1,488
Restricted	<u>165,046</u>	<u>191,475</u>
Total Fund Balance	<u>166,610</u>	<u>192,963</u>
Total Liabilities and Fund Balance	<u><u>\$ 187,346</u></u>	<u><u>\$ 223,274</u></u>

**Town of Ossining, New York**

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

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>		
Departmental income	\$ 191,621	\$ 127,155
Use of money and property	488	135
State aid	-	1,451
Miscellaneous	<u>2,169</u>	<u>1,611</u>
 Total Revenues	 <u>194,278</u>	 <u>130,352</u>
 <b>EXPENDITURES</b>		
Current		
Home and community services	168,164	239,588
Employee benefits	<u>152,467</u>	<u>53,669</u>
 Total Expenditures	 <u>320,631</u>	 <u>293,257</u>
 Deficiency of Revenues Over Expenditures	 <u>(126,353)</u>	 <u>(162,905)</u>
 <b>OTHER FINANCING SOURCES</b>		
Transfers in	100,000	100,000
Transfers out	<u>-</u>	<u>(3,257)</u>
 Total Other Financing Sources	 <u>100,000</u>	 <u>96,743</u>
 Net Change in Fund Balance	 (26,353)	 (66,162)
 <b>FUND BALANCE</b>		
Beginning of Year	<u>192,963</u>	<u>259,125</u>
 End of Year	 <u>\$ 166,610</u>	 <u>\$ 192,963</u>

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**Town of Ossining, New York**

Debt Service Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 682,008	\$ 69,294
Due from other funds	<u>-</u>	<u>308,615</u>
Total Assets	<u>\$ 682,008</u>	<u>\$ 377,909</u>
<b>FUND BALANCE</b>		
Restricted	\$ 178,008	\$ 375,847
Assigned	<u>504,000</u>	<u>2,062</u>
Total Fund Balance	<u>\$ 682,008</u>	<u>\$ 377,909</u>

**Town of Ossining, New York**

**Debt Service Fund**

**Comparative Schedule of Revenues, Expenditures and Changes**

**in Fund Balance - Budget and Actual**

**Years Ended December 31,**

	2016			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 1,911	\$ 1,911
<b>EXPENDITURES</b>				
Debt service				
Serial bonds				
Principal	752,647	752,647	445,000	307,647
Interest	155,002	155,002	155,150	(148)
Total Expenditures	907,649	907,649	600,150	307,499
Deficiency of Revenues Over Expenditures	(907,649)	(907,649)	(598,239)	309,410
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	907,649	907,649	908,400	751
Transfers out	(2,062)	(2,062)	(6,062)	(4,000)
Total Other Financing Sources	905,587	905,587	902,338	(3,249)
Net Change in Fund Balance	(2,062)	(2,062)	304,099	306,161
<b>FUND BALANCE</b>				
Beginning of Year	2,062	2,062	377,909	375,847
End of Year	\$ -	\$ -	\$ 682,008	\$ 682,008

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 2,433	\$ 2,433
742,212	742,212	433,947	308,265
169,323	169,323	169,307	16
911,535	911,535	603,254	308,281
(911,535)	(911,535)	(600,821)	310,714
911,535	911,535	911,504	(31)
(43,963)	(43,963)	(43,963)	-
867,572	867,572	867,541	(31)
(43,963)	(43,963)	266,720	310,683
43,963	43,963	111,189	67,226
\$ -	\$ -	\$ 377,909	\$ 377,909

**Town of Ossining, New York**

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

---

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 3,122	\$ 3,122
Due from other funds	<u>7,643</u>	<u>12,273</u>
Total Assets	<u>10,765</u>	<u>15,395</u>
<b>LIABILITIES</b>		
Current liabilities		
Current portion of claims payable	1,100	1,500
Claims payable, less current portion	<u>9,665</u>	<u>13,895</u>
Total Liabilities	<u>\$ 10,765</u>	<u>\$ 15,395</u>

**Town of Ossining, New York**

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

---

	<u>2016</u>	<u>2015</u>
<b>OPERATING REVENUES</b>		
Departmental charges	\$ 3,864	\$ 2,725
<b>OPERATING EXPENSES</b>		
Employee benefits	<u>3,864</u>	<u>2,725</u>
Income from Operations	-	-
<b>NET POSITION</b>		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from departmental charges	\$ 8,494	\$ 12,801
Cash payments to insurance carriers, claimants and other	<u>(8,494)</u>	<u>(12,801)</u>
Net Cash from Operating Activities	-	-
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>3,122</u>	<u>3,122</u>
End of Year	<u><u>\$ 3,122</u></u>	<u><u>\$ 3,122</u></u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	4,630	10,076
Claims payable	<u>(4,630)</u>	<u>(10,076)</u>
Net Cash from Operating Activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>