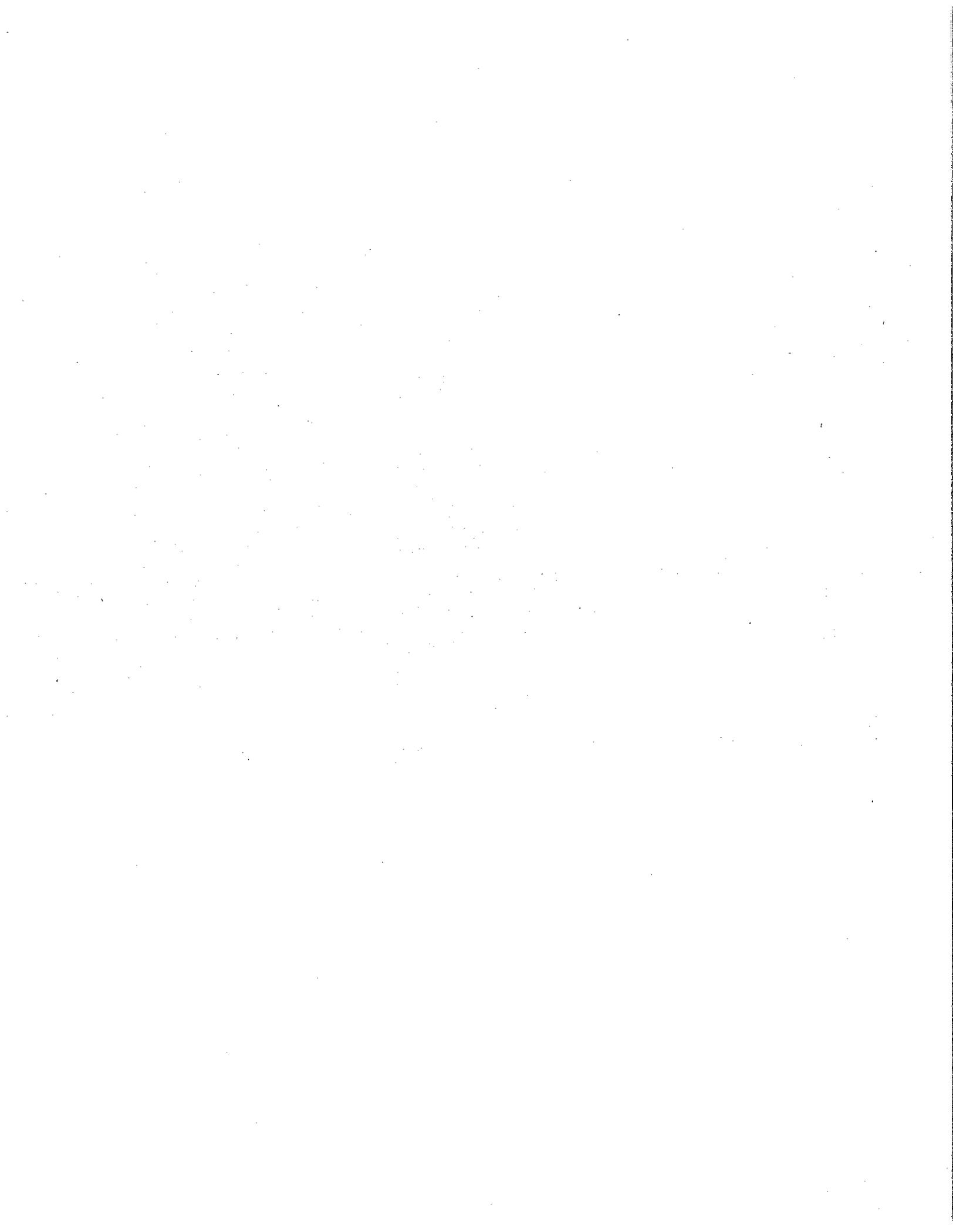


**VILLAGE OF PIERMONT**

**AUDIT REPORT**

**MAY 31, 2015**



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Korn Rosenbaum LLP  
Certified Public Accountants  
26 Firemens Memorial Drive  
Suite 110  
Pomona, New York 10970  
Telephone: 845-354-4646  
Fax: 845-354-6705  
website: www.krpj.com  
email: info@krpj.com

David W. Wemmer, CPA  
Kathleen M. Haubner, CPA  
Murray L. Korn, CPA  
(1924 - 2007)  
Irwin I. Rosenbaum, CPA  
(1926 - 2009)  
William S. Phillips, CPA  
Thomas F. Jauntig, Jr. CPA

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

To the Honorable Mayor and  
Village Board of the Village of Piermont, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Village of Piermont as of and for the year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Village of Piermont's basic financial statements, and have issued our report thereon dated January 29, 2016.

**Internal Control Over Financial Reporting**

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

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



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

### **Compliance and Other Matters**

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

### **Purpose of the Report**

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

  
Korn Rosenbaum LLP

January 29, 2016



**Korn Rosenbaum LLP**  
**Certified Public Accountants**  
26 Firemens Memorial Drive  
Suite 110  
Pomona, New York 10970  
Telephone: 845-354-4646  
Fax: 845-354-6705  
website: www.krpj.com  
email: info@krpj.com

David W. Wemmer, CPA  
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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and  
Village Board of the Village of Piermont, New York:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Village of Piermont, as of and for the year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express 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 of material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal control. Accordingly, we express no such opinion on the effectiveness 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 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 financial position of the government activities and each major fund of the Village of Piermont as of May 31, 2015, and the respective changes in financial position for the year then ended in conformity 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, budgetary comparison information and schedule of funding progress on pages 6-12 and 52-62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during the 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.



## Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Piermont's financial statements. The introductory section, combining and individual non-major fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

  
Korn Rosenbaum LLP

January 29, 2016

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Village of Piermont  
Management's Discussion and Analysis (MD&A)  
May 31, 2015

Introduction

The following discussion and analysis of the Village of Piermont's financial statements provides an overview of the financial activities of the Village for the fiscal year ended May 31, 2015. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

**Financial Highlights**

The Village's Statement of Net Position reflected Total Assets of \$6,345,051 and Total Liabilities of \$ 6,584,551. The Net Position balance consisted of:

Investment in Capital Assets, net of related debt	\$ 2,001,421
Unrestricted surplus (deficit)	<u>( 2,240,921)</u>
Net Position	<u><u>\$ ( 239,500)</u></u>

The Statement of Activities reflected a decrease in Net Position of \$353,103. The overall decrease was due to recognition of depreciation as an expense on the government-wide financial statements and the expense related to the Post Employment Retirement Benefits.

The Village's Governmental Fund Balances reflected the following un-appropriated surpluses or (deficits). A comparison of surplus (inclusive of appropriations for subsequent years budgeted) with the prior year is as follows:

Major Funds:	<u>5/31/15</u>	<u>5/31/14</u>
General Fund	\$ 760,578	\$ 852,595
Capital Projects Fund	\$( 164,457)	\$(1,152,929)

**Overview of the Financial Statements**

The Village's financial statements are comprised of this Management Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis is intended to serve as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Village's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

## **Government-wide Financial Statements**

The government-wide financial statements report information about the Village as a whole using accounting methods similar to private-sector companies. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to finance Village programs, are excluded from these statements.

The Statement of Net Position presents the Village's total assets and liabilities with the difference reported as Net Position. Over time, increases or decreases in the Net Position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's Net Position changed during the current 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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected assessments and earned but unused compensated absences). The focus of this statement is on the net cost of providing various services to the citizens of the Village.

The governmental activities reflected in this section are general government support, public safety, transportation, economic assistance and opportunity, culture and recreation, home and community services, and debt service. These activities are principally supported by real property taxes, non-property taxes, charges for services, and operating grants and contributions.

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

## **Fund Financial Statements**

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled and to ensure and demonstrate compliance with legal requirements.

Most of the basic services provided by the Village are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the Village's requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the Village's current financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village's major funds include the General and Capital Project Funds and are presented separately in the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances.

The Village adopts an annual appropriated budget for its governmental funds except Capital Projects. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the Village. The fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the activities of the Village.

The fiduciary fund financial statements can be found in the basic financial statements section of this report.

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

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

## **Government-wide Financial Analysis**

In accordance with GASB Statement No. 34, a comparative analysis of government-wide information is presented.

### **Statement of Net Position**

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. Liabilities of \$6,584,551 exceeded assets by \$239,500 for the year ended May 31, 2015.

The largest component of the Village's assets is invested in capital assets of \$5,115,887, net of accumulated depreciation. Related debt of \$3,114,466 used to acquire those assets is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Liabilities include \$2,210,841 for the present value of future post employment health insurance premiums (see Note F of IV, Detail Notes on All Funds and Account Groups).

### **Statement of Activities**

Governmental activities decreased the Village's Net Position by \$353,103. For the year ended May 31, 2015, program revenues from governmental activities totaled \$557,329. Total general revenues amounted to \$4,988,546 and were primarily from taxes levied for general purposes and non-property taxes, which included mortgage tax and sales tax revenues.

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

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

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

As of the end of the current fiscal year, the Village governmental funds reported a combined ending fund balance of \$596,121, an increase of \$896,455, in comparison with the prior year..

**The General Fund** is the primary operating fund of the Village. At the end of the current fiscal year, the total fund balance of the General Fund was \$760,578, of which \$200,000 has been appropriated for the 2015-2016 budget.

Total Revenue and Transfers of \$5,483,996 was greater than the original budget of \$5,306,981 and total expenditures and transfers were \$5,576,013 as compared with original budget of \$5,306,981.

**The Capital Projects Fund** is used to account for capital project activity throughout the Village. The Capital Projects Fund's ending fund balance was a deficit of (\$164,457) for fiscal year 2015 as compared to a deficit of (\$1,152,929) for the prior year. These deficits are caused by short-term financing of projects. Such financing cannot be recognized as revenue. When long-term financing is obtained deficits will be reversed.

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

**Capital Assets** – The Village's investment in capital assets for its governmental activities as of May 31, 2015, amounts to \$5,115,887, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment and infrastructure.

Additional information on the Village's capital assets can be found in Note B of IV. Detail Notes On All Funds and Account Groups.

**Long-term Debt** – At the end of the current fiscal year, the Village had total bonded debt outstanding of \$3,028,500 (including debt associated with the Library). All of this debt is backed by the full faith and credit of the Village. Other long-term liabilities included \$754,102 for compensated absences.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the Village may incur. The State Constitution provides that the Village may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the Village for the most recent five years. Certain indebtedness is excluded in ascertaining the Village'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 Village's authority to issue debt subject to the limit. At May 31, 2015, the Village of Piermont had used \$3,028,500 or 6.97% of its constitutional debt limit.

Additional information on the Village's long-term debt can be found in Note D of V. Detail Notes On All Funds.

### **Factors Bearing on the Village's Future**

The Village of Piermont became involved in litigation in early in FYE 2015 that presents an unexpected and uncertain near-term impact on the health of the Village's finances.

Three Village employees have been named in a civil suit - it's important to note that the Village itself has not been named in this action. While the Village does not believe these cases have merit, it has been compelled by the court to pay for each employee's individual legal defense. The Village's insurance carrier, American Alternative Insurance (AAIC), disagrees with the Village's assertion that AAIC has a statutory responsibility to pay for this defense and has refused to cover the costs.

The Village has already realized significant expense from this development and has allocated \$200,000 in its 2016 fiscal year budget to cover ongoing costs while continuing efforts to compel the insurance carrier to pay. The Village has commenced a Declaratory Judgment Action in Federal Court seeking to compel AAIC to pay (and reimburse) the Village for the cost of its employees' defense.

The Village will continue to fund the legal defense fees until such time that it prevails in its argument to have its insurance carrier(s) cover these expenses. A hearing with the US District Court is scheduled for Q4 2015 and the Village remains optimistic that it will receive a favorable decision by the end of the next fiscal year.

The Village began the FYE 2015 with a fund balance of \$852,595 and, due to unexpectedly funding the above legal fees, closed the fiscal year with \$760,578. The decrease in the fund balance is realized in Contractual Expense in the Judgment and Claims line, unfavorable to the FY budget by \$236,507.

The Village's fund balance remains healthy, currently represents nearly 14% of the proposed FYE 2016 operating budget. While acknowledging the uncertainty of the ongoing legal case, the Village Board is dedicated to maintaining the continued health of this balance and has suspended non-critical capital improvements.

Assessed value of real property remained relatively flat for 2015, the first time in 5 years without a decrease. The total assessments of \$601,952,914 reflect a year-over-year increase of \$1,867,587 (0.3%) from the 2014 assessments. Total assessed value of Homestead properties is \$510,365,873; assessed value of Non-Homestead properties is \$91,587,041. Both assessments represent a slight increase from 2014.

The Village has established a \$5,551,305 operating budget for FYE 2015, a 4.6% increase from the previous FY - over 80% of this increase is for funds allocated to the aforementioned Judgment and Claims - with \$4,478,767 to be raised through property taxes (tax levy). This tax levy represents a 1.13% increase from the previous year, which remains below the mandated Tax Cap imposed by New York State. The tax rate per \$1000 of assessed value of Homestead properties for FYE 2015 remained at \$6.94. The tax rate for Non-Homestead is \$10.24 / \$1000 of assessed value, representing an increase of 4.07% from FYE 2014. The difference in the tax rates is due to the allocation of Base Proportions.

### **Request for Information**

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Village of Piermont, Piermont, New York. The telephone number is (845) 359-1258.

VILLAGE OF PIERMONT  
STATEMENT OF NET POSITION  
MAY 31, 2015

	<u>Primary Government</u>
<b><u>ASSETS</u></b>	
Unrestricted Cash	\$ 903,758
Accounts Receivable	196,006
Other Assets	129,400
Capital Assets (net)	5,115,887
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 6,345,051</u></b>
<b><u>LIABILITIES</u></b>	
Accounts Payable	\$ 284,991
Accrued Interest Payable	28,065
Bond Anticipation Notes	251,943
Deferred Inflow of Resources - Bond Premium	26,109
Noncurrent liabilities:	
Due within one year	436,769
Due in more than one year	5,556,674
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 6,584,551</u></b>
<b><u>NET POSITION</u></b>	
Investment in Capital Assets, net of related debt	\$ 2,001,421
Unrestricted surplus (deficit)	(2,240,921)
<b><u>TOTAL NET POSITION</u></b>	<b><u>\$ (239,500)</u></b>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED MAY 31, 2015

	Program Revenue			Net (Expense) Revenue and Changes in Net Position
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>
Primary Government:				
Governmental Activities:				
General Support	\$ 1,416,471	\$ 317,913	\$ -	\$ (1,098,558)
Public Safety	2,490,529	117,434	8,225	(2,364,870)
Transportation	852,719	-	-	(852,719)
Culture and Recreation	78,652	-	-	(78,652)
Home and Community Services	488,731	113,757	-	(374,974)
Debt Service	92,158	-	-	(92,158)
Depreciation	479,718	-	-	(479,718)
<b>Total Primary Government</b>	<b>\$ 5,898,978</b>	<b>\$ 435,347</b>	<b>\$ 121,982</b>	<b>\$ (5,341,649)</b>

**GENERAL REVENUES**

Taxes:	\$
Property taxes, levied for general purposes	4,451,818
Other Tax Items	287,658
Use of Money and Property	81,296
Sale of Property and Compensation for Loss	-
Grants and contributions not restricted to specific programs	59,096
Federal Grants	8,970
Miscellaneous	99,708
<b>TOTAL GENERAL REVENUES</b>	<b>\$ 4,988,546</b>

**CHANGE IN NET POSITION**

Total Net Position - Beginning of Year	113,603
Total Net Position - End of Year	(239,500)

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
AS AT MAY 31, 2015

	<u>General Fund</u> <u>Villagewide</u>	<u>Capital</u> <u>Project Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b><u>ASSETS</u></b>			
<b><u>CASH</u></b>			
Demand Deposits	\$ 903,758	\$ -	\$ 903,758
Time Deposits	-	-	-
<b><u>TOTAL CASH</u></b>	<b><u>\$ 903,758</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 903,758</u></b>
<b><u>RECEIVABLES</u></b>			
Accounts Receivable	\$ 126,006	\$ -	\$ 126,006
Due from Other Funds	-	17,618	17,618
<b><u>TOTAL RECEIVABLES</u></b>	<b><u>\$ 126,006</u></b>	<b><u>\$ 17,618</u></b>	<b><u>\$ 143,624</u></b>
<b><u>OTHER ASSETS</u></b>			
Tax Sale Certificates	\$ 87,120	\$ -	\$ 87,120
Prepaid Expenses	42,280	-	42,280
<b><u>TOTAL OTHER ASSETS</u></b>	<b><u>\$ 129,400</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 129,400</u></b>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 1,159,164</u></b>	<b><u>\$ 17,618</u></b>	<b><u>\$ 1,176,782</u></b>
<b><u>LIABILITIES &amp; FUND BALANCES</u></b>			
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 284,991	\$ -	\$ 284,991
Bond Anticipation Notes Payable	95,977	155,966	251,943
Deferred Inflow of Resources	-	26,109	26,109
Due to Other Funds	17,618	-	17,618
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 398,586</u></b>	<b><u>\$ 182,075</u></b>	<b><u>\$ 580,661</u></b>
<b><u>FUND BALANCE</u></b>			
<b>Assigned to:</b>			
Subsequent Year's Budget	\$ 200,000	\$ -	\$ 200,000
<b>Unassigned:</b>	<b>560,578</b>	<b>(164,457)</b>	<b>396,121</b>
<b><u>TOTAL FUND BALANCES</u></b>	<b><u>\$ 760,578</u></b>	<b><u>\$ (164,457)</u></b>	<b><u>\$ 596,121</u></b>
<b><u>TOTAL LIABILITIES AND FUND</u></b>			
<b><u>BALANCES</u></b>	<b><u>\$ 1,159,164</u></b>	<b><u>\$ 17,618</u></b>	<b><u>\$ 1,176,782</u></b>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
MAY 31, 2015

	Total Governmental Funds	Long-term Assets, Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
<b><u>ASSETS</u></b>				
Unrestricted Cash	\$ 903,758	\$ -	\$ -	\$ 903,758
Due From Other Funds	17,618	-	(75,298)	(57,680)
Other Receivables (net)	126,006	70,000	-	196,006
Other Assets	129,400	-	-	129,400
Capital assets, net	-	5,115,887	-	5,115,887
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 1,176,782</u></b>	<b><u>\$ 5,185,887</u></b>	<b><u>\$ (75,298)</u></b>	<b><u>\$ 6,287,371</u></b>
<b><u>LIABILITIES</u></b>				
Accounts Payable	\$ 284,991	\$ -	\$ -	\$ 284,991
Accrued Interest Payable	-	28,065	-	28,065
Due to Other Funds	17,618	-	(75,298)	(57,680)
Bond Anticipation Notes Payable	251,943	-	-	251,943
Bonds Payable	-	3,028,500	-	3,028,500
Deferred Inflow of Resources	26,109	-	-	26,109
Post Employment Retirement Benefits	-	2,210,841	-	2,210,841
Compensated Absences	-	754,102	-	754,102
<b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 580,661</u></b>	<b><u>\$ 6,021,508</u></b>	<b><u>\$ (75,298)</u></b>	<b><u>\$ 6,526,871</u></b>
<b><u>FUND BALANCE\NET POSITION</u></b>				
<b><u>TOTAL FUND BALANCES\NET POSITION</u></b>	<b><u>\$ 596,121</u></b>	<b><u>\$ (835,621)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (239,500)</u></b>
<b><u>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</u></b>	<b><u>\$ 1,176,782</u></b>	<b><u>\$ 5,185,887</u></b>	<b><u>\$ (75,298)</u></b>	<b><u>\$ 6,287,371</u></b>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MAY 31, 2015

	<u>General Fund</u> <u>Villagewide</u>	<u>Capital</u> <u>Project Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b><u>REVENUES</u></b>			
Real Property Taxes	\$ 4,451,818	\$ -	\$ 4,451,818
Other Tax Items	21,164	-	21,164
Non-Property Tax Items	266,494	-	266,494
Departmental Income	98,293	-	98,293
Use of Money and Property	81,296	-	81,296
Sale of Property and Compensation for Loss	-	-	-
Licenses and Permits	146,676	-	146,676
Fines and Forfeitures	117,434	-	117,434
Intergovernmental Income	51,878	-	51,878
Miscellaneous	99,708	-	99,708
Federal Aid	8,970	-	8,970
State and Local Aid	140,265	61,879	202,144
<b><u>TOTAL REVENUES</u></b>	<b><u>\$ 5,483,996</u></b>	<b><u>\$ 61,879</u></b>	<b><u>\$ 5,545,875</u></b>
<b><u>EXPENDITURES</u></b>			
General Government Support	\$ 969,098	\$ -	\$ 969,098
Public Safety	1,748,696	-	1,748,696
Transportation	583,399	-	583,399
Culture and Recreation	53,811	-	53,811
Capital Project Expenditures	-	371,941	371,941
Home and Community Services	334,372	-	334,372
Employee Benefits	1,333,689	-	1,333,689
Debt Service	437,914	-	437,914
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$ 5,460,979</u></b>	<b><u>\$ 371,941</u></b>	<b><u>\$ 5,832,920</u></b>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 23,017</u>	<u>\$ (310,062)</u>	<u>\$ (287,045)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Proceeds From:			
Proceeds from Serial Bonds	\$ -	\$ 1,183,500	\$ 1,183,500
Operating Transfers In	-	115,034	115,034
Operating Transfers Out	(115,034)	-	(115,034)
<b><u>TOTAL OTHER FINANCING</u></b> <b><u>SOURCES (USES)</u></b>	<b><u>\$ (115,034)</u></b>	<b><u>\$ 1,298,534</u></b>	<b><u>\$ 1,183,500</u></b>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>\$ (92,017)</u>	<u>\$ 988,472</u>	<u>\$ 896,455</u>
Fund Balance at Beginning of Year	852,595	(1,152,929)	(300,334)
Fund Balance at End of Year	<u>\$ 760,578</u>	<u>\$ (164,457)</u>	<u>\$ 596,121</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES  
AND CHANGES IN FUND EQUITY TO THE STATEMENT OF ACTIVITIES  
MAY 31, 2015

	Total Governmental Funds	Reclassification and Eliminations	Capital Related Items	Long-Term Debt Transaction	Statement of Activities Totals
<u>REVENUES</u>					
Real Property Tax	\$ 4,451,818	\$ -	\$ -	\$ -	\$ 4,451,818
Other Tax Items	21,164	-	-	-	21,164
Non-Property Tax Income	266,494	-	-	-	266,494
Use of Money and Property	81,296	-	-	-	81,296
Sale of Property and Compensation for Loss	-	-	-	-	-
Departmental Income	98,293	-	-	-	98,293
License & Permits	146,676	-	-	-	146,676
Fines & Forfeitures	117,434	-	-	-	117,434
Intergovernmental Income	51,878	-	-	-	51,878
Miscellaneous	99,708	-	-	-	99,708
Federal Sources	8,970	-	-	-	8,970
State Sources	202,144	-	-	-	202,144
<u>TOTAL REVENUES</u>	<u>\$ 5,545,875</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,545,875</u>
<u>EXPENDITURES/EXPENSES</u>					
General Support	\$ 969,098	\$ 350,324	\$ -	\$ 97,050	\$ 1,416,471
Public Safety	1,748,696	566,711	-	175,122	2,490,529
Transportation	583,399	210,896	-	58,424	852,719
Culture & Recreation	53,811	19,452	-	5,389	78,652
Home & Community Services	334,372	120,874	-	33,485	488,731
Employee Benefits	1,333,689	(1,333,689)	-	-	-
Debt Service	437,914	-	-	(345,756)	92,158
Capital Outlay	371,941	-	(371,941)	-	-
Depreciation	-	-	479,718	-	479,718
<u>TOTAL EXPENDITURES</u>	<u>\$ 5,832,920</u>	<u>\$ (65,433)</u>	<u>\$ 107,777</u>	<u>\$ 23,714</u>	<u>\$ 5,898,978</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>					
	<u>\$ (287,045)</u>	<u>\$ 65,433</u>	<u>\$ (107,777)</u>	<u>\$ (23,714)</u>	<u>\$ (353,103)</u>
Other Sources and Uses:					
Operating Transfers In	\$ 115,034	\$ -	\$ -	\$ -	\$ 115,034
Proceeds from Obligations	1,183,500	-	-	(1,183,500)	-
Operating Transfers Out	(115,034)	-	-	-	(115,034)
<u>TOTAL OTHER SOURCES AND USES</u>	<u>\$ 1,183,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,183,500)</u>	<u>\$ -</u>
<u>NET CHANGE FOR THE YEAR</u>	<u>\$ 896,455</u>	<u>\$ 65,433</u>	<u>\$ (107,777)</u>	<u>\$ (1,207,214)</u>	<u>\$ (353,103)</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED MAY 31, 2015

	GENERAL FUND			
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
<u>REVENUES</u>				
Real Property Taxes	\$ 4,428,593	\$ 4,428,593	\$ 4,451,818	\$ 23,225
Other Tax Items	20,000	20,000	21,164	1,164
Non-Property Tax Items	250,000	250,000	266,494	16,494
Departmental Income	70,800	70,800	98,293	27,493
Intergovernmental Charges	52,000	52,000	51,878	(122)
Use of Money and Property	81,950	81,950	81,296	(654)
Licenses and Permits	118,000	118,000	146,676	28,676
Fines and Forfeitures	90,000	90,000	117,434	27,434
Miscellaneous	37,003	37,003	99,708	62,705
Federal Aid	1	1	8,970	8,969
State & Local Aid	133,631	133,631	140,265	6,634
<u>TOTAL REVENUES</u>	<u>\$ 5,281,978</u>	<u>\$ 5,281,978</u>	<u>\$ 5,483,996</u>	<u>\$ 202,018</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 687,402	\$ 687,402	\$ 969,098	\$ (281,696)
Public Safety	1,747,148	1,748,798	1,748,696	102
Transportation	627,048	627,048	583,399	43,649
Culture and Recreation	53,335	53,335	53,811	(476)
Home and Community Services	364,487	364,487	334,372	30,115
Employee Benefits	1,276,601	1,276,601	1,333,689	(57,088)
Debt Service	503,423	503,423	437,914	65,509
<u>TOTAL EXPENDITURES</u>	<u>\$ 5,259,444</u>	<u>\$ 5,261,094</u>	<u>\$ 5,460,979</u>	<u>\$ (199,885)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 22,534</u>	<u>\$ 20,884</u>	<u>\$ 23,017</u>	<u>\$ 2,133</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds From:				
Serial Bonds	\$ -	\$ -	\$ -	\$ -
Operating Transfers In	1	1	-	(1)
Appropriated Fund Balance	25,000	25,000	-	(25,000)
Operating Transfers Out	(47,537)	(47,537)	(115,034)	(67,497)
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ (22,536)</u>	<u>\$ (22,536)</u>	<u>\$ (115,034)</u>	<u>\$ (92,498)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>\$ (2)</u>	<u>\$ (1,652)</u>	<u>\$ (92,017)</u>	<u>\$ (90,365)</u>
Fund Balance at Beginning of Year	852,595	852,595	852,595	-
Prior Period Adjustment - Accounts Payable	-	-	-	-
<u>Fund Balance at End of Year</u>	<u>\$ 852,593</u>	<u>\$ 850,943</u>	<u>\$ 760,578</u>	<u>\$ (90,365)</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
STATEMENT OF FIDUCIARY NET POSITION  
MAY 31, 2015

	<u>Trust &amp; Agency Funds</u>
<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash	\$ 39,151
TOTAL CURRENT ASSETS	\$ 39,151
<u>OTHER ASSETS</u>	
Investments - Service Awards Program	929,629
<u>TOTAL ASSETS</u>	<u>\$ 968,780</u>
 <u>LIABILITIES</u>	
<u>LIABILITIES</u>	
Service Awards Program	\$ 929,629
Guarantee and Bid Deposits	39,151
<u>TOTAL LIABILITIES</u>	<u>\$ 968,780</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS - TRUST & AGENCY FUNDS  
MAY 31, 2015

	Balance June 1, 2014	<u>Increases</u>	<u>Decreases</u>	Balance May 31, 2015
<u>ASSETS</u>				
<u>CASH</u>				
Cash - Guarantees and Bid Deposits	\$ 39,131	\$ 20	\$ -	\$ 39,151
Investments - Service Awards Program	<u>835,711</u>	<u>93,918</u>	<u>-</u>	<u>929,629</u>
<u>TOTAL ASSETS</u>	<u>\$ 874,842</u>	<u>\$ 93,938</u>	<u>\$ -</u>	<u>\$ 968,780</u>
 <u>LIABILITIES</u>				
<u>LIABILITIES</u>				
Guarantees and Bid Deposits	\$ 39,131	\$ 20	\$ -	\$ 39,151
Service Awards Program	<u>835,711</u>	<u>93,918</u>	<u>-</u>	<u>929,629</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 874,842</u>	<u>\$ 93,938</u>	<u>\$ -</u>	<u>\$ 968,780</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Village of Piermont have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. Those principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. FINANCIAL REPORTING ENTITY**

The Village of Piermont operates pursuant to the Village Law, Local Finance Law and other general laws of the State of New York and various local laws. The Village Board of Trustees, which consists of five members, including the Mayor, is the legislative body responsible for overall operations. The Mayor serves as chief executive officer and as chief fiscal officer. The Village Clerk/Treasurer is the accounting officer of the Village.

All governmental activities and functions performed for the Village of Piermont are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government which is the Village of Piermont, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB Statement 14, Financial Reporting Entity.

The decision to include a potential component unit in the Village of Piermont's reporting entity is based on several criteria set forth in GASB Statement 14 and 39 including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, no other entity was included in the Village's reporting entity.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**B. BASIS OF PRESENTATION**

i) Village-wide statements:

The Statement of Net Position and the Statement of Activities present financial information about the Village's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State aid, intergovernmental revenues, and other exchange and nonexchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

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

ii) Fund financial statements:

The fund statements provide information about the Village's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund - the principal operating fund and includes all operations not required to be recorded in other funds.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

Capital Fund - used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by an enterprise or internal service fund.

Additionally the Village reports the following fund type:

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

**C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS**

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 or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Village-wide and fiduciary fund (excluding the agency funds) financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if the revenues are collected within 365 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, installment purchases, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**D. CASH AND INVESTMENTS**

The Village's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments. New York State law governs the Village's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of the State or its municipalities and Districts.

**E. PROPERTY TAXES**

County real property taxes are levied annually no later than June 1st. Taxes are collected during the period June 1st to October 31st. Any such taxes remaining unpaid at year-end are re-levied as county taxes in the subsequent year.

**F. ACCOUNTS RECEIVABLE**

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**G. INVENTORY AND PREPAID ITEMS**

There are no inventory values presented in the balance sheets of the respective funds of the Village. Purchases of inventorable items at various locations are recorded as expenditures at the time of purchase, and year-end balances at these locations were not available. Prepaid items represent payments made by the Village for which benefits extend beyond year-end.

**H. DUE TO/FROM OTHER FUNDS**

The operations of the Village include transactions between funds. These transactions may be temporary in nature, such as with inter-fund borrowings. The Village typically loans resources between funds for the purpose of providing cash flow. These inter-fund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the Village-wide statements, the amounts reported on the Statement of Net Position for inter-fund receivables and payables represent amounts due between different fund types (governmental activities, and fiduciary funds). Eliminations have been made for all inter-fund receivables and payables between the funds, with the exception of those due to or from the fiduciary funds. A detailed description of the individual fund balances at year-end is provided subsequently in these Notes.

**I. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**J. CAPITAL ASSETS**

Capital assets are defined by the Village as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Class</u>	<u>Life in Years</u>
Buildings & Improvements	15-40
Furniture & Equipment	5-15
Motor Equipment	8
Infrastructure	15-40

**K. 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 and 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.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**L. UNEARNED REVENUE**

The Village reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the Village before it has legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when the Village has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

**M. VESTED EMPLOYEE BENEFITS**

Village employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

Sick leave eligibility and accumulation is specified in negotiated labor contracts, and in individual employment contracts.

Upon retirement, resignation or death, employees may receive a payment for unused accumulated sick leave, based on contractual provisions.

Consistent with GASB Statement 16, Accounting for Compensated Absences, an accrual for accumulated sick leave is included in the compensated absences liability at year-end. The compensated absences liability is calculated based on the pay rates in effect at year-end.

Village employees participate in the New York State Employees' Retirement System and the New York State Local Police and Fire Retirement System.

In addition to providing pension benefits, the Village provides health insurance coverage and survivor benefits for retired employees and their survivors. Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**N. INSURANCE**

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

**O. SHORT-TERM DEBT**

The Village may issue Bond Anticipation Notes, in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

**P. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

Payables, accrued liabilities and long-term obligations are reported in the village-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgements, other post-employment benefits payable and compensated absences that will be paid from governmental funds, are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the Village's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

**Q. FUND EQUITY**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**R. EQUITY CLASSIFICATIONS**

Village-wide statements: In the village-wide statements there are three classes of Net Position:

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

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

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

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

**Non-spendable** fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Non-spendable fund balance includes prepaid expenditures recorded in the General Fund of \$42,280.

**Restricted** fund balance includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

**Committed** fund balance includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the Village board. The Village has no committed fund balances as of May 31, 2015.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

**Assigned** fund balance includes amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances are classified as Assigned Fund Balance. The Village has no assigned fund balances as of May 31, 2015.

**Unassigned** fund balance includes all other General Fund net assets that do not meet the definition of the above four classifications and are deemed to be available for general use by the Village as well as any deficit balances in other funds.

**Order of Use of Fund Balance:**

The Village's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

**S. NEW ACCOUNTING STANDARDS**

The Village has adopted and implemented the following current Statements of the Governmental Accounting Standards Board (GASB) that are applicable as of May 31, 2015:

Statement No. 69, *Government Combinations and Disposals of Government Operations* - Effective for the year ending May 31, 2015

**T. FUTURE CHANGES IN ACCOUNTING STANDARDS**

Statement No. 68, *Accounting and Financial Reporting for Pensions* - An amendment of GASB Statements No. 27 - and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - Effective for the year ending May 31, 2016.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015

GASB has issued Statement No. 72, Fair Value Measurement and Application, effective for the year ending May 31, 2017.

GASB has issued Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, effective for the year ending May 31, 2018, establishes new accounting and financial reporting requirements for OPEB plans.

GASB has issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, effective for the year ending May 31, 2019. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB.

GASB has issued Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, effective for the year ending May 31, 2017.

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

**U. RECLASSIFICATIONS**

Certain prior year data may have been reclassified to conform to the current year's presentation.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
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**II. RECONCILIATION OF VILLAGE-WIDE AND FUND FINANCIAL STATEMENTS**

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND VILLAGE-WIDE STATEMENTS**

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

1. Total fund balances of governmental funds versus net position of governmental activities:

Total fund balances of the Village's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheets.

2. Statement of Revenues, Expenditures and Changes in Fund Balance versus Statement of Activities:

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of three broad categories. The amounts shown below represent:

- i) Long-term revenue differences:

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

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ii) Capital related differences:

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

iii) Long-term debt transaction differences:

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

**III. STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY**

**A. BUDGETARY DATA**

1. Budget Procedures

The Village Clerk distributes budget estimate forms to all department heads early in February of each year and then conducts such financial analysis and review as is necessary to substantiate the budget requests. Upon completion of this review, but prior to March 31st, when the report must be filed with the Village Clerk, the entire Village Board reviews the tentative budget with each department head. This review continues as the Board prepares its preliminary budget for public hearing.

The preliminary budget is presented on a departmental basis by object of expense indicating the proposed budget, year-to-date expenses of the current budget, the departmental request and the Treasurer's recommendation.

VILLAGE OF PIERMONT  
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The Village Board may, during the course of the year, make changes in the appropriations and other modifications of the budget as it deems necessary in accordance with the Village Law.

2. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all operating funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

**IV. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**A. CASH AND INVESTMENTS**

The Village investment policies are governed by state statutes. In addition, the Village has its own written investment policy. Village monies must be deposited in FDIC insured commercial banks or trust companies located within the Village. The Finance Director is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

All deposits, including certificates of deposit, are carried at cost plus accrued interest and are categorized as either:

- A) Insured or collateralized with securities held by the Village or by its agent in the Village's name, or
- B) Collateralized with securities held by the pledging financial institution's trust department or agency in the Village's name, or
- C) Uncollateralized.

VILLAGE OF PIERMONT  
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Collateral is required for demand deposits and certificates of deposit at 102 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Total financial institution bank balances at year-end, per the bank, are categorized as follows:

- A) \$ 500,000
- B) \$ 673,243
- C) \$ -0-

**B. CAPITAL ASSETS**

Capital asset balances and activity for the year ended May 31, 2015 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Reclass- ifications</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
<b>Capital assets that are not depreciated:</b>				
Land	\$ 583,294	\$ -	\$ -	\$ 583,294
Construction in Progress	-	-	-	-
<b>Total nondepreciable historical cost</b>	<u>\$ 583,294</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 583,294</u>
<b>Capital assets that are depreciated:</b>				
Buildings & Improvements	\$ 1,427,908	\$ 58,302	\$ -	\$ 1,486,210
Furniture & Equipment	5,312,329	214,927	-	5,527,256
Infrastructure	3,941,681	99,685	-	4,041,366
<b>Total depreciable historical cost</b>	<u>\$ 10,681,918</u>	<u>\$ 372,914</u>	<u>\$ -</u>	<u>\$ 11,054,832</u>
<b>Less accumulated depreciation:</b>				
Buildings & Improvements	\$ 860,409	\$ 40,276	\$ -	\$ 900,685
Furniture & Equipment	3,679,654	282,864	-	3,962,518
Infrastructure	1,501,485	156,551	-	1,658,036
<b>Total accumulated depreciation</b>	<u>\$ 6,041,548</u>	<u>\$ 479,691</u>	<u>\$ -</u>	<u>\$ 6,521,239</u>
<b>Total depreciable historical cost, net</b>	<u>\$ 5,223,664</u>	<u>\$ (106,777)</u>	<u>\$ -</u>	<u>\$ 5,116,887</u>

Depreciation expense was not allocated to governmental functions.

VILLAGE OF PIERMONT  
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**C. SHORT-TERM DEBT**

Bond Anticipation Notes Payable

Liabilities for Bond Anticipation Notes (BANS) are generally accounted for in the Capital Projects fund. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12 month period thereafter.

State Law requires that Bond Anticipation Notes issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, Bond Anticipation Notes issued for assessed 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.

At May 31, 2015 the total short-term debt outstanding indebtedness of the Village is \$ 251,943 as follows:

<u>Project Title</u>	<u>Date of Original Issue</u>	<u>Date of Renewal</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>
Fire Department Equip.	10/13	10/15	1.86%	\$ 20,000
Various Purpose – 2015	12/14	12/15	.990%	135,966
Tax Certiorari – 2014	12/14	12/15	.990%	95,977
				<u>\$ 251,943</u>

Interest on short-term debt for the year was composed of:

Interest paid	\$ 11,845
Less interest accrued in the prior year	4,066
Plus interest accrued in the current year	<u>1,032</u>
 Total expense	 <u>\$ 8,811</u>

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
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**D. LONG-TERM DEBT**

Serial Bonds

The Village borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

At May 31, 2015 the total outstanding indebtedness of the Village aggregated \$3,028,500. All of this amount was subject to the constitutional debt limit and represented approximately 6.97% of the Village's debt limit.

Interest on long-term debt for the year was composed of:

Interest paid	\$ 71,069
Less interest accrued in the prior year	14,755
Plus interest accrued in the current year	<u>27,033</u>
 Total expense	 <u>\$ 83,347</u>

The Village is reimbursed for payments on the library debt by the Village Library. The debt is however issued in the Village's name and therefore the Village is ultimately responsible for its repayment.

VILLAGE OF PIERMONT  
NOTES TO FINANCIAL STATEMENTS  
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Long-term liability balances and activity for the year are summarized below:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Government activities:					
Bonds and notes payable:					
General obligation debt:					
Library Building	\$ 105,000	\$ -	\$ 35,000	\$ 70,000	\$ 35,000
Public Improvements	325,000	-	100,000	225,000	40,000
Various Purpose Bonds	990,000	-	160,000	830,000	160,000
Various Projects	190,000	-	30,000	160,000	30,000
Various Projects	625,000	-	65,000	560,000	65,000
Various Projects	-	1,183,500	-	1,183,500	68,500
Total bonds & notes payable	<u>\$ 2,235,000</u>	<u>\$ 1,183,500</u>	<u>\$ 390,000</u>	<u>\$ 3,028,500</u>	<u>\$ 398,500</u>
Other liabilities:					
Compensated absences	<u>\$ 819,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 819,535</u>	<u>\$ 40,977</u>
Total other liabilities	<u>\$ 819,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 819,535</u>	<u>\$ 40,977</u>
Total long-term liabilities	<u>\$ 3,054,535</u>	<u>\$ 1,183,500</u>	<u>\$ 390,000</u>	<u>\$ 3,848,035</u>	<u>\$ 439,477</u>

The following is a summary of maturity of indebtedness at May 31, 2015:

Library Building	2007	2017	6.45%	70,000
Improvements	2009	2023	3.64%	830,000
Various Projects	2012	2023	2.49%	560,000
Various Projects	2014	2035	3.00%	1,183,500
				<u>\$ 3,028,500</u>

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The following is a summary of the maturity of long-term indebtedness:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2015-2016	\$ 398,500	\$ 98,276
2016-2017	400,000	85,206
2017-2018	375,000	70,108
2018-2019	340,000	55,912
2019-2020	255,000	44,894
Subsequent Five Years	790,000	127,430
Subsequent Five Years	280,000	55,840
Subsequent Five Years	190,000	17,066
Total Serial Bonds	<u>\$3,028,500</u>	<u>\$ 554,732</u>

**E. PENSION PLANS**

1. Plan Description

The Village of Piermont participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement Systems (PFRS). These are cost sharing multiple public employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (State Comptroller) serves as sole trustee and administrative head of the Systems. The State Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody of control of their funds. The systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244. All benefits generally vest after five years of credited service.

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Funding Policy

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

In 2003 the New York State Legislature established a required 4.5% minimum payment. If in future years, the valuation process produces a regular employer contribution rate that is lower than 4.5%, the Retirement System will bill at the 4.5% rate. If the valuation process produces a rate that exceeds 4.5 %, then the Retirement System will bill at the higher employer contribution rate.

The Legislature enacted new pension provisions (Chapter 260, Laws of 2004) that enable local governments to amortize a portion of their bill for the next two years. The law allows local governments to amortize required contributions in excess of 7 percent of estimated salaries over a 10-year period. Employers are required to pay 5 percent interest on any amortized amounts. The Village of Piermont elected to not utilize the amortization for the year ending May 31, 2014.

The required contributions for the current year and two preceding years were:

	<u>ERS/PFRS</u>
2014	\$ 530,938
2013	615,543
2012	401,121

The Village of Piermont's contributions made to the Systems were equal to 100 percent of the contributions required for each year.

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Employee Groups Covered

Nearly all Village of Piermont employees are eligible for membership in the systems. All employees employed in a full-time position who commenced employment after June 30, 1976 are mandatory members.

**F. POST RETIREMENT BENEFITS**

The premiums paid during the year were \$179,468 which consisted of 8 individuals at \$409 per month, 1 individual at \$772 per month, 4 couples at \$989 per month, 2 couples with dependent at \$1,351 per month and 2 families at \$1,714 per month as well as reimbursement of Medicare premiums for 8 individuals.

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

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

The Village recognizes the cost of providing health insurance annually as expenditures in its General Fund of the funds financial statements as payments are made. For the year ended May 31, 2014 the Village recognized \$179,468 for its share of insurance costs currently for enrolled retirees.

The Village has elected to base its annual OPEB cost on the ARC calculated in accordance with the alternative measurement method allowed in the Statement as of June 1, 2012 which indicates that the net OPEB obligation for other post employment benefits is \$1,841,371, which is reflected in the Statement of Net Position.

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

Funding Policy:

The contribution requirements of Plan members and the Village are established by the Village Board. The required contribution is based on projected pay-as-you-go financial requirements. For fiscal year 2015, the Village contributed \$179,468 to the plan for current costs. Until changes are made in New York State law to permit funding, there is no legal authority to fund OPEB other than "pay as you go". Plan members receiving benefits contributed according to their bargaining unit agreement and hire date.

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

Annual required contribution as of May 31, 2015	\$ 475,283
Interest on net OPEB obligation	73,655
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>\$ 548,938</u>
Contributions made	179,468
Increase in net OPEB obligation	<u>\$ 420,546</u>
Net OPEB obligation-beginning of year	<u>1,841,371</u>
Net OPEB obligation-end of year	<u>\$ 2,210,841</u>

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The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
5/31/09	N.A. – Transition date June 1, 2009		
5/31/10	\$ 476,619	19.38%	\$ 384,256
5/31/11	\$ 476,619	25.63%	\$ 738,703
5/31/12	\$ 506,167	21.76%	\$ 1,134,710
5/31/13	\$ 489,960	29.59%	\$ 1,479,683
5/31/14	\$ 490,080	26.20%	\$ 1,841,371
5/31/15	\$ 548,938	32.69%	\$ 2,210,841

Funded Status and Funding Progress:

As of June 1, 2012, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial liability for benefits was \$6,388,068, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$6,388,068. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions:

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

VILLAGE OF PIERMONT  
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In the June 1, 2012 valuation, the entry age cost method was used. The actuarial assumptions included a 5.5% investment rate of return. An annual healthcare cost trend rate of 10.0% initially, reduced by decrements to an ultimate rate of 4% after 5 years. Rates included an inflation assumption. The UAAL is being amortized under a level dollar method. The remaining amortization period at May 31, 2015, was 23 years.

**G. VACATION AND SICK LEAVE AND COMPENSATORY ABSENCES**

Payment of vacation and sick leave recorded is dependent upon many factors therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation and sick leave and compensatory absences when such payment becomes due.

The Village does not allow the carryover of vacation days to a subsequent fiscal year and does not pay employees for unused sick time at separation.

**H. SERVICE AWARD PROGRAM**

The Village of Piermont financial statements are for the year ended May 31, 2015. However the information contained in this note is based on information for the Village of Piermont Defined Benefit Service Award Program for the program year ending on December 31, 2014, which is the most recent program year for which complete information is available.

**Length of Service Awards Program – LOSAP**

The Village of Piermont established a defined benefit Service Award program (referred to as a "LOSAP" – length of service award program – Under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 1995 for the active volunteer firefighter members of the Village of Piermont. The program was established pursuant to Article 11-A of the New York State General Municipal Law. The program provides municipally-funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The Village of Piermont is the sponsor of the program and the program administrator.

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**Program Description**

Under the program, participating volunteers begin to be paid a service award upon attainment of the program "entitlement age". The amount of the service award paid to a volunteer is based upon the number of years of service credit the volunteer earned under the program for performing active volunteer firefighter activities.

**Participation, vesting and service credit**

Active volunteer firefighters who have reached the age of 18 and who have completed 1 year of firefighting service are eligible to participate in the program. Participants acquire a non-forfeitable right to a service award after being accredited with five (5) years of firefighting service or upon attaining the program's entitlement age while an active volunteer. The program's entitlement age is age 62 and completion of one year of service. An active volunteer firefighter is credited with a year of firefighting service for each calendar year of credit service. A participant may also receive credit for five (5) years of active volunteer firefighting service rendered prior to the establishment of the program as an active volunteer firefighter member of the Village of Piermont.

**Benefits**

A participant's service award benefit is paid as a ten year certain and continuous monthly payment life annuity. The amount payable each month equals \$20 multiplied by the total number of years of service credit earned by the volunteer under the point system. The maximum number of years of service a participant may earn is 30 years under the program. Currently, there are no other forms of payments of a volunteer's earned service award under the Program. Except in the case of death or total and permanent disablement, service awards commence to be paid when a participant attains entitlement age. Volunteers who continue to be active after attaining the entitlement age and beginning to be paid a service award continue to have the opportunity to earn program credit and to thereby increase their service award payments. The program provides death and disability benefits equal to the actuarial value of the participant's earned service award at the time of death and disablement. The program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are "self-insured" and are paid from the program trust fund.

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**Fiduciary Investment and Control**

Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the governing board.

The governing board of the sponsor has retained and designated Hometown/RSA Consultants to assist in the administration of the program. The designated program administrator's functions include calculating the annual contribution, calculating benefits payable and preparing the annual report.

Disbursements of program assets for the payment of benefits or administrative expenses must be approved by the governing board of the sponsor.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust agreement is dated January 1, 1995.

The sponsor is required to retain an actuary to determine the amount of the sponsor's contributions to the plan. The actuary retained by the sponsor for this purpose is Harbridge Consulting Group, LLC. Portions of the following information are derived from a report prepared by the actuary dated February, 2015.

**Program Financial Condition**

**Assets and Liabilities**

Actuarial Present Value of Benefits at 12/31/14	\$1,596,039
Less: Assets Available for Benefits	<u>929,629</u>
Total Unfunded Benefits	<u>\$ 666,410</u>

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**Prior Service Costs**

Prior service costs are being amortized over 15-20 years at a discount rate of 5.25%.

**Contributions**

Amount of sponsor's contribution recommended by actuary: \$ 121,811 - \$ 132,360  
 Amount of sponsor's actual contributions: \$ 135,600 (includes service fee)

**Funding Methodology and Actuarial Assumptions**

**Normal Costs**

The actuarial valuation methodology used by the actuary to determine the sponsor's contribution is the Unit Credit Cost Method. The assumptions used by the actuary to determine the sponsor's contribution and the actuarial value benefits are:

Assumed rate of return on investment: 5.25%

Mortality Tables used for Retirement:  
 1994 Group Annuity - Male

**H. VACATION AND SICK LEAVE AND COMPENSATED ABSENCES**

Payment of vacation and sick leave recorded is dependent upon many factors, therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation and sick leave and compensatory absences when such payment becomes due.

**I. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables at May 31, 2015 were as follows:

<u>Fund Type</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Villagewide	\$ -	\$ 75,298
Capital Projects	<u>75,298</u>	<u>-</u>
<u>TOTAL</u>	<u>\$ 75,298</u>	<u>\$ 75,298</u>

VILLAGE OF PIERMONT  
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**J. DEFICIT FUND BALANCE**

Capital Projects Fund Balance reflects a deficit of (\$106,777). The reason for this deficit is due to the accounting requirements of not recording short-term financing (BANs and revolving credit funds) as revenue. When long-term financing is obtained and BAN payments from appropriations are received then revenue will be recognized and the deficit will be reversed.

**K. RECLASSIFICATIONS**

Certain prior year data has been reclassified to conform to the current year's presentation.

**L. OTHER OBLIGATIONS**

The Village has entered into various operating leases for the use of copiers and a postage machine. These leases have remaining obligations of \$10,528 over the following years:

<u>Year ending</u>	<u>Payments</u>
2015	\$ 9,024
2016	<u>1,504</u>
	<u>\$ 10,528</u>

**V. CONTINGENCIES**

**A. FEDERAL AND STATE GRANTS**

The local government has received grants in excess of \$100,000 which are subject to audit by agencies of the State and/or Federal governments. Such audits may result in disallowances and a request for a return of funds to the federal governments. Based on past audits, the local government administration believes disallowances, if any, will be immaterial.

VILLAGE OF PIERMONT  
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FOR THE FISCAL YEAR ENDED MAY 31, 2015

**B. LEGAL**

The Village has informed us that subsequent to the year-end the Village was named in several lawsuits. The Village's insurance carrier is vigorously defending all current lawsuits. The potential for an adverse outcome of these cases is not determinable at this time. In addition, if the Village has been named defendant in any other actions, information pertaining to these claims can be obtained from the Village Clerk.

**C. SUBSEQUENT EVENTS EVALUATION BY MANAGEMENT**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is January 29, 2016.

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**Korn Rosenbaum LLP**  
**Certified Public Accountants**  
26 Firemens Memorial Drive  
Suite 110  
Pomona, New York 10970  
Telephone: 845-354-4646  
Fax: 845-354-6705  
website: www.krpj.com  
email: info@krpj.com

David W. Wemmer, CPA  
Kathleen M. Haubner, CPA  
Murray L. Korn, CPA  
(1924 - 2007)  
Irwin I. Rosenbaum, CPA  
(1926 - 2009)  
William S. Phillips, CPA  
Thomas F. Jauntig, Jr. CPA

### SUPPLEMENTAL SCHEDULES

Our examination of the financial statements included in the preceding section of this report was directed to the expression of an opinion of those statements taken as a whole. The supplemental material presented in the following section of this report is not necessary for a fair presentation of the financial statements but is presented as additional analytical data. This information has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

  
Korn Rosenbaum LLP

January 29, 2016

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF REVENUES AND TRANSFERS  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Budget</u>
<u>REAL PROPERTY TAX ITEM:</u>				
Real Property Taxes	\$ 4,428,593	\$ 4,428,593	\$ 4,451,818	\$ 23,225
<u>OTHER TAX ITEMS:</u>				
Interest & Penalties on Real Property Taxes	\$ 20,000	\$ 20,000	\$ 21,164	\$ 1,164
	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 21,164</u>	<u>\$ 1,164</u>
<u>NON-PROPERTY TAX ITEMS:</u>				
Gross Revenues on Utilities	\$ 44,000	\$ 44,000	\$ 47,133	\$ 3,133
Franchise Fees	60,000	60,000	72,740	12,740
County Municipal Aid	146,000	146,000	146,621	621
	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 266,494</u>	<u>\$ 16,494</u>
<u>DEPARTMENTAL INCOME</u>				
Clerk & Treasurer Fees	\$ 800	\$ 800	\$ 1,004	\$ 204
Police Fees	23,000	23,000	46,149	23,149
Safety Inspections	19,000	19,000	21,441	2,441
Planning & Zoning Fees	4,500	4,500	6,100	1,600
Parking Fees	16,500	16,500	13,765	(2,735)
Refuse & Recycling Fees	7,000	7,000	9,834	2,834
	<u>\$ 70,800</u>	<u>\$ 70,800</u>	<u>\$ 98,293</u>	<u>\$ 27,493</u>
<u>INTERGOVERNMENTAL CHARGES</u>				
Medical and Fire Services	\$ 52,000	\$ 52,000	\$ 51,878	\$ (122)
	<u>\$ 52,000</u>	<u>\$ 52,000</u>	<u>\$ 51,878</u>	<u>\$ (122)</u>
<u>USE OF MONEY &amp; PROPERTY:</u>				
Interest & Earnings	\$ 4,000	\$ 4,000	\$ 5,171	\$ 1,171
Rental of Real Property	77,950	77,950	76,125	(1,825)
	<u>\$ 81,950</u>	<u>\$ 81,950</u>	<u>\$ 81,296</u>	<u>\$ (654)</u>
<u>LICENSES AND PERMITS:</u>				
Business & Occupational Licenses	\$ -	\$ -	\$ -	\$ -
Permits	118,000	118,000	146,676	28,676
	<u>\$ 118,000</u>	<u>\$ 118,000</u>	<u>\$ 146,676</u>	<u>\$ 28,676</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF REVENUES AND TRANSFERS  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Budget</u>
<u>FINES AND FORFEITURES:</u>				
Fines & Forfeited Bail	\$ 90,000	\$ 90,000	\$ 117,434	\$ 27,434
<u>STATE AND LOCAL AID:</u>				
Per Capita	\$ 18,000	\$ 18,000	\$ 20,048	\$ 2,048
County Revenue	42,000	42,000	52,896	10,896
Traffic Safety Grant	5,766	5,766	8,225	2,459
Other Grants	67,865	67,865	59,096	(8,769)
	<u>\$ 133,631</u>	<u>\$ 133,631</u>	<u>\$ 140,265</u>	<u>\$ 6,634</u>
<u>FEDERAL AID:</u>				
Federal Grants	\$ 1	\$ 1	\$ 8,970	\$ 8,969
	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 8,970</u>	<u>\$ 8,969</u>
<u>OTHER REVENUE</u>				
Insurance Recoveries	\$ 1	\$ 1	\$ 61,507	\$ 61,506
Sale of Surplus Equipment	7,000	7,000	25,625	18,625
Refunds of Prior Year Expenditures	30,000	30,000	7,012	(22,988)
Unclassified Revenue	2	2	5,564	5,562
	<u>\$ 37,003</u>	<u>\$ 37,003</u>	<u>\$ 99,708</u>	<u>\$ 62,705</u>
<u>TOTAL GENERAL FUND REVENUES</u>	<u>\$ 5,281,978</u>	<u>\$ 5,281,978</u>	<u>\$ 5,483,996</u>	<u>\$ 202,018</u>
<u>OTHER SOURCES</u>				
Appropriated Fund Balance	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
Transfers In from Other Funds	1	1	-	(1)
Proceeds from Serial Bonds	2	2	-	(2)
	<u>\$ 25,003</u>	<u>\$ 25,003</u>	<u>\$ -</u>	<u>\$ (25,003)</u>
<u>TOTAL GENERAL FUND REVENUE AND OTHER SOURCES</u>	<u>\$ 5,306,981</u>	<u>\$ 5,306,981</u>	<u>\$ 5,483,996</u>	<u>\$ 177,015</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	Original Budget	Revised Budget	Actual	Favorable (Unfavorable) Budget
<u>GENERAL GOVERNMENT SUPPORT</u>				
<u>BOARD OF TRUSTEES:</u>				
Personal Services	\$ 14,264	\$ 14,264	\$ 14,264	\$ -
	<u>\$ 14,264</u>	<u>\$ 14,264</u>	<u>\$ 14,264</u>	<u>\$ -</u>
<u>VILLAGE JUSTICE:</u>				
Personal Services	\$ 67,450	\$ 67,450	\$ 72,213	\$ (4,763)
Equipment	1,500	1,500	1,280	220
Contractual Expenses	15,120	15,120	12,805	2,315
	<u>\$ 84,070</u>	<u>\$ 84,070</u>	<u>\$ 86,298</u>	<u>\$ (2,228)</u>
<u>MAYOR:</u>				
Personal Services	\$ 10,765	\$ 10,765	\$ 10,765	\$ -
Contractual	350	350	250	100
	<u>\$ 11,115</u>	<u>\$ 11,115</u>	<u>\$ 11,015</u>	<u>\$ 100</u>
<u>AUDITOR:</u>				
Contractual Expenses	\$ 22,550	\$ 22,550	\$ 23,103	\$ (553)
	<u>\$ 22,550</u>	<u>\$ 22,550</u>	<u>\$ 23,103</u>	<u>\$ (553)</u>
<u>TREASURER:</u>				
Personal Services	\$ 150,165	\$ 150,165	\$ 180,182	\$ (30,017)
Equipment	19,895	19,895	19,990	(95)
Contractual Expenses	15,871	15,871	28,007	(12,136)
	<u>\$ 185,931</u>	<u>\$ 185,931</u>	<u>\$ 228,179</u>	<u>\$ (42,248)</u>
<u>ASSESSMENT:</u>				
Personal Services	\$ 24,394	\$ 24,394	\$ 24,218	\$ 176
Contractual Expenses	1,500	1,500	1,000	500
	<u>\$ 25,894</u>	<u>\$ 25,894</u>	<u>\$ 25,218</u>	<u>\$ 676</u>
<u>ATTORNEY:</u>				
Personal Services	\$ 23,247	\$ 23,247	\$ 23,248	\$ (1)
Contractual Expenses	10,000	10,000	9,694	306
	<u>\$ 33,247</u>	<u>\$ 33,247</u>	<u>\$ 32,942</u>	<u>\$ 305</u>
<u>ENGINEER:</u>				
Contractual Expenses	\$ 10,000	\$ 10,000	\$ 16,700	\$ (6,700)
	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 16,700</u>	<u>\$ (6,700)</u>
<u>GRANT WRITER:</u>				
Contractual Expenses	\$ 10,000	\$ 10,000	\$ 2,447	\$ 7,553
	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 2,447</u>	<u>\$ 7,553</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	Original Budget	Revised Budget	Actual	Favorable (Unfavorable) Budget
<u>BUILDINGS:</u>				
Personal Services	\$ -	\$ -	\$ -	\$ -
Equipment	2,700	2,700	2,290	410
Contractual Expenses	45,268	45,268	45,887	(619)
	<u>\$ 47,968</u>	<u>\$ 47,968</u>	<u>\$ 48,177</u>	<u>\$ (209)</u>
<u>UNDISTRIBUTED LIABILITY INSURANCE</u>	<u>\$ 139,650</u>	<u>\$ 139,650</u>	<u>\$ 143,178</u>	<u>\$ (3,528)</u>
<u>MUNICIPAL DUES:</u>				
Contractual Expenses	\$ 1,600	\$ 1,600	\$ 1,545	\$ 55
	<u>\$ 1,600</u>	<u>\$ 1,600</u>	<u>\$ 1,545</u>	<u>\$ 55</u>
<u>JUDGMENTS AND CLAIMS:</u>				
Personal Services	\$ 45,213	\$ 45,213	\$ 45,213	\$ -
Contractual Expenses	45,000	45,000	281,507	(236,507)
	<u>\$ 90,213</u>	<u>\$ 90,213</u>	<u>\$ 326,720</u>	<u>\$ (236,507)</u>
<u>TAX ON MUNICIPAL PROPERTY:</u>				
Contractual Expenses	\$ 4,500	\$ 4,500	\$ -	\$ 4,500
MTA Tax	6,400	6,400	9,312	(2,912)
	<u>\$ 10,900</u>	<u>\$ 10,900</u>	<u>\$ 9,312</u>	<u>\$ 1,588</u>
<u>TOTAL GENERAL SUPPORT</u>	<u>\$ 687,402</u>	<u>\$ 687,402</u>	<u>\$ 969,098</u>	<u>\$ (281,696)</u>
<u>PUBLIC SAFETY</u>				
<u>POLICE DEPARTMENT:</u>				
Personal Services	\$ 1,377,805	\$ 1,377,805	\$ 1,338,779	\$ 39,026
Equipment	23,750	23,750	24,314	(564)
Contractual Expenses	74,601	76,251	82,161	(5,910)
	<u>\$ 1,476,156</u>	<u>\$ 1,477,806</u>	<u>\$ 1,445,254</u>	<u>\$ 32,552</u>
<u>FIRE DEPARTMENT:</u>				
Equipment	\$ 46,330	\$ 46,330	\$ 43,678	\$ 2,652
Contractual Expenses	207,116	207,116	241,712	(34,596)
	<u>\$ 253,446</u>	<u>\$ 253,446</u>	<u>\$ 285,390</u>	<u>\$ (31,944)</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u> <u>Budget</u>
<u>SAFETY INSPECTION:</u>				
Personal Services	\$ 16,596	\$ 16,596	\$ 17,489	\$ (893)
Equipment	250	250	-	250
Contractual Expenses	700	700	563	137
	<u>\$ 17,546</u>	<u>\$ 17,546</u>	<u>\$ 18,052</u>	<u>\$ (506)</u>
<u>TOTAL PUBLIC SAFETY</u>	<u>\$ 1,747,148</u>	<u>\$ 1,748,798</u>	<u>\$ 1,748,696</u>	<u>\$ 102</u>
<u>TRANSPORTATION</u>				
<u>STREET ADMINISTRATION/MAINTENANCE:</u>				
Personal Services	\$ 430,007	\$ 430,007	\$ 442,455	\$ (12,448)
Equipment	10,000	10,000	8,460	1,540
Contractual Expenses	140,041	140,041	78,604	61,437
	<u>\$ 580,048</u>	<u>\$ 580,048</u>	<u>\$ 529,519</u>	<u>\$ 50,529</u>
<u>STREET LIGHTING:</u>				
Contractual Expenses	<u>\$ 47,000</u>	<u>\$ 47,000</u>	<u>\$ 53,880</u>	<u>\$ (6,880)</u>
<u>TOTAL TRANSPORTATION</u>	<u>\$ 627,048</u>	<u>\$ 627,048</u>	<u>\$ 583,399</u>	<u>\$ 43,649</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Budget</u>
<u>YOUTH PROGRAMS:</u>				
Personal Services	\$ 15,760	\$ 15,760	\$ 7,210	\$ 8,550
Equipment	1,650	1,650	2,294	(644)
Contractual Expenses	19,425	19,425	27,429	(8,004)
	<u>\$ 36,835</u>	<u>\$ 36,835</u>	<u>\$ 36,933</u>	<u>\$ (98)</u>
 <u>CULTURE &amp; RECREATION</u>				
<u>PARKS:</u>				
Contractual Expenses	\$ 15,000	\$ 15,000	\$ 15,378	\$ (378)
	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,378</u>	<u>\$ (378)</u>
 <u>ADULT RECREATION</u>				
Contractual Expenses	\$ 1,500	\$ 1,500	\$ 1,500	\$ -
	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ -</u>
 <u>TOTAL CULTURE &amp; RECREATION</u>				
	<u>\$ 53,335</u>	<u>\$ 53,335</u>	<u>\$ 53,811</u>	<u>\$ (476)</u>
 <u>HOME &amp; COMMUNITY SERVICES</u>				
<u>BUILDING:</u>				
Personal Services	\$ 86,199	\$ 86,199	\$ 86,292	\$ (93)
Equipment	2,000	2,000	299	1,701
Contractual Expenses	5,930	5,930	4,483	1,447
	<u>\$ 94,129</u>	<u>\$ 94,129</u>	<u>\$ 91,074</u>	<u>\$ 3,055</u>
 <u>PLANNING AND ZONING:</u>				
Personal Services	\$ 27,200	\$ 27,200	\$ 27,543	\$ (343)
Contractual Expenses	6,450	6,450	4,800	1,650
	<u>\$ 33,650</u>	<u>\$ 33,650</u>	<u>\$ 32,343</u>	<u>\$ 1,307</u>

The accompanying notes are an integral part of the financial statements

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Budget</u>
<u>SNOW REMOVAL:</u>				
Personal Services	\$ 59,208	\$ 59,208	\$ 49,525	\$ 9,683
Equipment	5,000	5,000	2,643	2,357
Contractual Expenses	35,500	35,500	52,364	(16,864)
	<u>\$ 99,708</u>	<u>\$ 99,708</u>	<u>\$ 104,532</u>	<u>\$ (4,824)</u>
 <u>REFUSE AND GARBAGE:</u>				
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Expenses	137,000	137,000	106,423	30,577
	<u>\$ 137,000</u>	<u>\$ 137,000</u>	<u>\$ 106,423</u>	<u>\$ 30,577</u>
 <u>TOTAL HOME AND COMMUNITY SERVICE</u>				
	<u>\$ 364,487</u>	<u>\$ 364,487</u>	<u>\$ 334,372</u>	<u>\$ 30,115</u>
 <u>UNDISTRIBUTED EXPENDITURES</u>				
<u>EMPLOYEE BENEFITS:</u>				
State Retirement	\$ 512,524	\$ 512,524	\$ 530,938	\$ (18,414)
Local Pension Fund	140,000	140,000	135,600	4,400
Other Benefits	10,944	10,944	10,712	232
Workman's Compensation	110,000	110,000	142,755	(32,755)
Life Insurance	10,500	10,500	10,754	(254)
Hospital and Medical Insurance	492,633	492,633	502,930	(10,297)
	<u>\$ 1,276,601</u>	<u>\$ 1,276,601</u>	<u>\$ 1,333,689</u>	<u>\$ (57,088)</u>
 <u>DEBT SERVICE</u>				
Serial Bond - Principal	\$ 355,000	\$ 355,000	\$ 355,000	\$ -
Serial Bond - Interest	71,070	71,070	71,069	1
	<u>\$ 426,070</u>	<u>\$ 426,070</u>	<u>\$ 426,069</u>	<u>\$ 1</u>
 BAN - Principal				
	\$ 65,508	\$ 65,508	\$ -	\$ 65,508
BAN - Interest	11,845	11,845	11,845	-
	<u>\$ 77,353</u>	<u>\$ 77,353</u>	<u>\$ 11,845</u>	<u>\$ 65,508</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF PIERMONT  
GENERAL FUND  
SUPPLEMENTAL STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED MAY 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Budget</u>
<u>TOTAL DEBT SERVICE</u>	\$ 503,423	\$ 503,423	\$ 437,914	\$ 65,509
<u>OTHER USES:</u>				
Transfer to Capital Projects Fund	\$ 47,537	\$ 47,537	\$ 115,034	\$ (67,497)
<u>TOTAL GENERAL FUND EXPENSES</u>	<u>\$ 5,306,981</u>	<u>\$ 5,308,631</u>	<u>\$ 5,576,013</u>	<u>\$ (267,382)</u>

The accompanying notes are an integral part of the financial statements.

**VILLAGE OF PIERMONT  
CAPITAL PROJECTS FUND  
ANALYSIS OF CAPITAL PROJECTS FUND BY PROJECT  
FOR THE YEAR ENDED MAY 31, 2015**

<u>PROJECT</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>			<u>Unexpended Balance</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	
Various Improvement Projects	\$ 465,000	\$ 461,153	\$ -	\$ 461,153	\$ 3,847
Clerk's Office Renovation	35,000	34,366	-	34,366	634
Road Resurfacing - 2012	228,630	228,630	-	228,630	-
Empire Hose Building	207,021	207,021	-	207,021	-
Fire Dept Vehicle	39,470	39,470	-	39,470	-
Fire Dept Equipment	10,000	10,000	-	10,000	-
North Parking Lot	360,000	358,097	-	358,097	1,903
Storm Damage	500,000	383,306	99,685	482,991	17,009
Police Charger	125,000	113,309	-	113,309	11,691
Street Sweeper	174,871	174,871	-	174,871	-
Fire Truck - Pumper	505,000	502,692	-	502,692	2,308
Ambulance	175,000	162,539	3,292	165,831	9,169
Garbage Truck	150,000	143,642	11,000	154,642	(4,642)
Rockland Road Bridge	505,000	502,952	-	502,952	2,048
Fire Department Equipment	65,500	-	57,302	57,302	8,198
Fire Rescue Boat	65,932	-	65,932	65,932	-
Cyncon Municipal Tractor	135,000	-	134,730	134,730	270
Fire Department Improvements	70,000	68,962	-	68,962	1,038
	<u>\$ 3,816,424</u>	<u>\$ 3,391,010</u>	<u>\$ 371,941</u>	<u>\$ 3,762,951</u>	<u>\$ 53,473</u>

The accompanying notes are an integral part of the financial statements.

Methods of Financing				Fund
Proceeds of Obligations	Other	Transfers	Total	Balance at May 31, 2015
\$ 335,000	\$ -	\$ 125,000	\$ 460,000	\$ (1,153)
36,000	-	-	36,000	1,634
200,000	24,084	-	224,084	(4,546)
95,000	125,000	-	220,000	12,979
-	-	-	-	(39,470)
-	-	10,000	10,000	-
226,127	168,750	159,111	553,988	195,891
-	396,752	-	396,752	(86,239)
-	-	-	-	(113,309)
128,000	50,000	-	178,000	3,129
455,000	34,200	-	489,200	(13,492)
170,000	-	-	170,000	4,169
155,000	-	-	155,000	358
290,000	201,935	10,000	501,935	(1,017)
-	-	-	-	(57,302)
-	-	-	-	(65,932)
68,500	-	67,500	136,000	1,270
45,000	-	22,535	67,535	(1,427)
<u>\$ 2,203,627</u>	<u>\$ 1,000,721</u>	<u>\$ 394,146</u>	<u>\$ 3,598,494</u>	<u>\$ (164,457)</u>

**VILLAGE OF PIERMONT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**AND EMPLOYER CONTRIBUTIONS**  
**FOR THE YEAR ENDED MAY 31, 2015**

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ([b-a]/c)</b>
6/1/2009	-	6,091,788	6,091,788	0.0%	N/A	N/A
6/1/2012	-	6,388,068	6,388,068	0.0%	N/A	N/A

**Schedule of Employer Contributions**

<b>Year Ended May 31</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2011	476,619	25.63%
2012	506,167	21.76%
2013	489,960	29.59%
2014	490,080	26.20%

See Paragraph on Supplementary Schedules Included in  
Independent Auditor's Report.