

INCORPORATED VILLAGE OF FLORAL PARK
FLORAL PARK, NEW YORK

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 2015

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SKINNON and FABER

Certified Public Accountants, P.C.

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Incorporated Village of Floral Park
Floral Park, New York

We have audited the accompanying financial statements of the governmental activities and each major fund of the Incorporated Village of Floral Park as of and for the year ended May 31, 2015, and the related notes to the financial statement, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Incorporated Village of Floral Park management. Our responsibility is to express an opinion on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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



America Counts on CPAs

3690 Expressway Drive South
Islandia, NY 11749
137 Tulip Avenue
Floral Park, NY 11001

Phone: (631) 851-1201
Fax: (631) 851-1206
Email: info@sfhcpa.com
Website: www.SFHCPA.com

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

Opinion

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

Other Matters

Required Supplemental Information

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

Skinnon and Faber, CPAs, P.C.

Skinnon and Faber, CPA's, P.C.

January 25, 2016

INCORPORATED VILLAGE OF FLORAL PARK

Management's Discussion and Analysis (Unaudited)

The Board of Trustees of the Incorporated Village of Floral Park (the Village), would like to offer readers of the Village's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended May 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our financial statements, which immediately follows this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a long-term view of the Village's finances. Fund financial statements report how Village activities were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail by providing information about the Village's most significant funds. The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by the required supplementary information, which supports the financial statements with a comparison of the Village's General Fund, Public Library Fund, and Swimming Pool Fund budget for the year, as well as the schedule of funding progress for the retiree health plan.

FINANCIAL HIGHLIGHTS

- During the year, total expenditures and transfers out were \$26,391,924 for the General Fund all of which were for governmental activities. Last fiscal year, total expenditures and transfers out were \$25,359,405 all of which were for governmental activities.
- General Fund revenues and transfers in for governmental activities totaled \$26,457,322 for the year. Last fiscal year, revenues and transfers in for governmental activities totaled \$25,983,189.
- For fiscal year ending May 31, 2015, the Village's General Fund reported a total ending fund balance of \$4,632,623. This compares to the prior year ending fund balance of \$4,567,225 showing an increase of \$65,398 during the current year.

Statement of Revenues, Expenditures and Changes in Fund Balances –General Fund

	For the Years Ended	
	May 31, 2015	May 31, 2014
Revenues:		
Real Property Taxes	\$ 23,050,188	\$ 22,148,571
Real Property Tax Items	99,077	142,501
Non Property Tax Items	461,745	417,577
Departmental Income	646,011	686,358
Use of Money and Property	16,104	23,365
Licenses and Permits	386,293	366,992
Fines and Forfeitures	510,175	528,184
Sale of Property and Compensation for Loss	51,051	61,530
Miscellaneous Local Sources	8,343	342,321
State Aid	716,203	491,780
Federal Aid	225,632	478,534
Total Revenues	26,170,822	25,687,713
Expenditures:		
General Government Support	3,145,758	3,524,135
Public Safety	7,617,005	7,406,206
Health	4,939	3,021
Transportation	2,212,881	1,819,476
Economic Assistance and Opportunity	22,027	33,263
Culture and Recreation	1,066,327	1,058,765
Home and Community Services	2,388,649	2,510,618
Employee Benefits	7,540,442	6,848,129
Debt Service	891,564	741,161
Total Expenditures	24,889,592	23,944,774
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	1,281,230	1,742,939
Other Financing Sources (Uses):		
Proceeds from Asset Disposition	500	-
Transfers In	286,000	295,476
Transfers Out	(1,502,332)	(1,414,631)
Total Other Financing Sources (Uses)	(1,215,832)	(1,119,155)
Net Change in Fund Balance	65,398	623,784
Fund Balance at Beginning of Year	4,567,225	3,943,441
Fund Balance at End of Year	\$ 4,632,623	\$ 4,567,225

ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

The General Fund balance increased by \$65,398 to a total of \$4,632,623. Of this amount \$15,417 is comprised of inventory, which is considered non-spendable. Assignments totaling \$2,184,024 have been made for specific items. The remaining fund balance of \$2,433,182 is unassigned for Village operations. The Board of Trustees and management of the Village are interested in continuing to improve the financial condition of the Village through careful budgeting and conservative fiscal policies.

The Capital Fund balance also increased during the year. As of May 31, 2015, fund balance had increased by \$539,329, to an ending balance of (\$326,162). During the year, Capital Fund expenditures totaling \$6,693,699 were made for various improvements and capital assets, mainly the newly renovated swimming pool. On the revenue side, the Village issued a bond in the amount of \$6,750,000 to cover the costs associated with the renovated swimming pool. The expenditures were also funded by transfers from the General Fund.

The Public Library Fund balance increased by \$116,660 to an ending balance of \$349,374, as of year-end. The increase was mainly due to transfers from the General Fund to cover expenditures associated with the Library Fund.

The Swimming Pool Fund balance decreased by \$70,434 to a total of \$188,412. This decrease was primarily caused by transfers to the General Fund totaling \$271,300 during the fiscal year.

The Community Development Fund balance decreased by \$26,993. The ending balance at May 31, 2015 is \$652.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements provide readers with a broad overview of the Incorporated Village of Floral Park's finances in a manner similar to a private-sector business.

The Statement of Net Position combines and consolidates the Village's current financial resources with capital assets and long term obligations. This statement includes all of the Incorporated Village of Floral Park's assets and liabilities. Net position is the difference between the Village's assets and liabilities. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. However, you will need to consider other factors such as the Village's tax base to assess the overall financial condition of the Village.

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

The government-wide financial statements present the functions of the Village that are principally supported by taxes and intergovernmental revenues for governmental services. The

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

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

There is a clear distinction between the calculation of an operating surplus (or deficit) and the calculation of “Net Position”.

As set forth in the preceding Statement of Revenues and Changes in Fund Balance – General Fund (at page 4) (the “Statement of Revenue and Expenditures”), the Village ended the fiscal year with an operating surplus because the Village’s revenues exceeded the Village’s operating expenses by \$65,398 for fiscal year ending May 31, 2015.

The Condensed Statement of Net Position – Governmental Activities (set forth below) (the “Statement of Net Position”) measures something different than the Statement of Revenues and Expenditures. The Statement of Net Position combines and consolidates the Village’s current financial resources with capital assets and long term obligations that are not due and payable in the current fiscal year. For example, while the total amount of outstanding bond indebtedness of the Village is not included in the Statement of Revenue and Expenditures, the annual amount required by the Village to be paid to retire that total bond indebtedness (the Debt Service) is included in the Statement of Revenue and Expenditures. By contrast, the Statement of Net Position includes the entire amount of the bond indebtedness the Village must pay over the life of bonds, which may be as long as twenty years.

Similarly, and most significantly, there is a clear distinction as to how employee benefits are reflected on the Statement of Revenue and Expenditures and how employee benefits are reflected on the Statement of Net Position. The Statement of Revenue and Expenditures includes the annual amount necessary to be paid for Employee Benefits, including the amount paid annually in connection with retired employee benefits. By contrast, the Statement of Net Position includes amounts based on the long-term projection of what the Village will have to pay over time, based on actuarial calculations, as it relates to other post-employment benefits (“OPEB”) to all employees.

As set forth below, the Village’s total net position decreased by \$3,214,141 for the fiscal year ended May 31, 2015. The net position for the Village without considering the provisions for the net obligation of post-employment benefits as of May 31, 2015 is a positive \$2,749,587. As of May 31, 2015, the OPEB payable is \$17,715,752. Current funding of this payable is not required and has always been and will continue to be funded on a pay-as-you-go basis.

Condensed Statement of Net Position – Governmental Activities

	May 31, 2015	May 31, 2014
Assets		
Current and Other Assets	\$ 8,624,945	\$ 7,748,689
Capital Assets (net)	14,403,976	8,672,248
Total Assets	23,028,921	16,420,937
Liabilities		
Liabilities	2,764,315	2,319,061
Long-Term Liabilities	34,682,570	24,633,913
Total Liabilities	37,446,885	26,952,974
Deferred Inflows of Resources		
Taxes Collected in Advance	504,125	1,219,987
Deferred Revenue - State Aid	44,076	-
Total Deferred Inflows of Resources	548,201	1,219,987
Net Position		
Net Investment in Capital Assets	6,127,708	6,412,248
Restricted	425,188	-
Unrestricted (deficit)	(21,519,061)	(18,164,272)
Total Net Position	\$ (14,966,165)	\$ (11,752,024)

Net investment in capital assets is the Village's investment in capital assets, such as infrastructure, buildings, improvements, and machinery and equipment, and infrastructure, reduced by accumulated depreciation and associated debt. This figure also includes land and construction in progress, which are not depreciated. More detailed information can be found in the Notes to the Financial Statements.

Changes in Net Position

The Statement of Activities reports the results of the current year's operations and the effect on Net Position in the accompanying financial statements. A summary of changes in Net Position from operating results is shown below.

Changes in Net Position from Operating Results – Governmental Activities

	For the Years Ended	
	May 31, 2015	May 31, 2014
Revenues		
Program Revenues:		
Fees, Fines and Charges for Services	\$ 2,044,878	\$ 2,153,472
Operating Grants and Contributions	41,854	75,740
Capital Grants and Contributions	457,597	476,284
General Revenues:		
Property Tax Items	23,156,365	22,291,072
Non-Property Tax Items	461,745	417,577
Use of Money and Property	26,015	23,785
State and Federal Aid	525,707	485,028
Sale of Property and Compensation for Loss	145,381	61,530
Other	32,470	342,321
Total Revenues	<u>26,892,012</u>	<u>26,326,809</u>
Expenses		
Governmental Activities:		
General Government Support	4,178,817	4,902,415
Public Safety	14,927,728	13,165,101
Health	5,184	3,194
Transportation	3,478,344	3,389,504
Economic Opportunity and Development	23,416	34,242
Culture and Recreation	3,686,919	4,003,415
Home and Community Services	3,619,612	3,126,694
Interest on Debt	186,133	74,076
Total Expenses	<u>30,106,153</u>	<u>28,698,641</u>
Change in Net Position	<u>(3,214,141)</u>	<u>(2,371,832)</u>
Beginning Net Position	(11,752,024)	(9,592,360)
Prior Period Adjustment	-	212,168
Beginning Net Position, as restated	<u>(11,752,024)</u>	<u>(9,380,192)</u>
Ending Net Position	<u>\$ (14,966,165)</u>	<u>\$ (11,752,024)</u>

ANALYSIS OF POSITION AND RESULTS OF OPERATION

The decrease in the Village's Net Position is primarily attributable to increases in public safety expenses, including employee benefits. In total, other post-employment benefits increased \$2,344,081 from the prior year. In addition, state and police retirement increased \$232,294 when compared to the prior year.

The Village had an increase in total revenue of \$565,203. Notably, the Village had an increase of \$865,293 of real property taxes. The Village also received state and federal aid for various purposes, including reimbursements for repairs related to Hurricane Sandy, as well as aid for highway improvements.

BUDGETARY ANALYSIS

The following explanations address variances occurring between the original General Fund budget for the fiscal year ending May 31, 2015 and the year-end income statement:

Revenues:

- **Departmental Income** – (deficit \$100,021) This variation from the amount budgeted was mainly the result of sidewalk and curb repair revenue coming in approximately \$93,000 under budget. This decline was the result of the Village suspending its sidewalk replacement program for the fiscal year in order to coordinate that program with the Village's recently retained arborist's review and recommendations as to the type of sidewalk friendly trees the Village should plant. This decrease in revenue was entirely offset by a decrease in expenditures for sidewalk replacement.
- **State Aid** – (surplus \$197,305) Unbudgeted revenues included EDAP grant money for fire department bathrooms and cardiac monitor (\$78,210), CHIPS state aid for work done on Beverly Avenue (\$150,930) and other smaller grants relating to public safety.
- **Federal Aid** – (surplus \$221,632) The Village received reimbursements from FEMA for repairs related to Hurricane Sandy, which was not budgeted for in the fiscal year.

Expenditures:

- **General Government Support:** Actual expenditures for General Government Support were approximately \$474,800 less than originally budgeted. This variation was mainly caused by conservative budgeting and a decrease of approximately \$94,000 relating to the suspended sidewalk replacement program discussed above.
- **Public Safety:** Actual expenditures exceeded the original budget by \$286,075. This variance was primarily caused by an increase in Police overtime of \$315,029 over the originally budgeted amount. The increase in Police overtime was a result of various circumstances, including increased training, seminars and briefings, and shortages in roll call resulting from serious injuries to officers.
- **Transportation:** Actual expenditures exceeded the original budget by \$189,198. This was mainly due to a roadway and drainage project undertaken relating to Vernon Street and Floral Boulevard that was largely offset by CHIPS state aid monies that was received during the fiscal year.

- **Employee Benefits:** Actual expenditures exceeded the original budget by \$765,872. This variation was mainly due to an increase in Police retirement expenditures of approximately \$631,000, as compared to the original budget. The budgeted amount was based on projections provided by the State. However, the State's projections did not account for the prior year's payment of several years' worth of retroactive active payments resulting from the settlement of the Village's Collective Bargaining Agreement with the Villages PBA.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

The Village's investment in capital assets as of May 31, 2015 totaled \$14,403,976 (net of accumulated depreciation). During the year, the Village acquired machinery and equipment with a cost of \$552,041, as well as construction in progress for the swimming pool with a cost of \$6,336,268.

During the fiscal year, the Village issued a bond in the amount of \$6,750,000 related to the costs of renovating the Village swimming pool. As of May 31, 2015, the Village had total bond indebtedness of \$8,690,000. Scheduled principal payments of \$320,000 were made. In addition, at May 31, 2015, the Village has outstanding BANs totaling \$1,049,714. Scheduled principal payments of \$421,850 were made.

INFRASTRUCTURE ASSETS

There were no significant changes in the assessed condition of eligible infrastructure assets.

CURRENTLY KNOWN FACTS, DECISIONS AND CONDITIONS

The current economic conditions have made it difficult for the Village to develop a balanced budget. Utilizing a strict cost cutting strategy and conservative fiscal policies, the Village was able to maintain their current tax rates. The administration has been diligent in containing expenses while continuing to provide efficient services to the residents.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide the reader with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. If you have any questions about this report or need additional financial information, contact:

Gerard Bambrick, Village Administrator
Incorporated Village of Floral Park
One Floral Boulevard
Floral Park, NY 11001

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Net Position
May 31, 2015

ASSETS

Cash and Cash Equivalents	\$	8,138,976
Tax Sale Certificates		7,100
Accounts Receivable		463,452
Inventories		15,417
Capital Assets (net)		14,403,976
Total Assets		23,028,921

LIABILITIES

Accounts Payable		2,042,130
Bond Interest Payable		47,719
Accrued Liabilities		288,072
Retained Percentages - Contracts Payable		307,532
Due to Agency		78,824
Due to Other Governments		38
Long-term Liabilities:		
Bonds:		
Due within one year		340,000
Due in more than one year		8,350,000
Bond Anticipation Note Payable:		
Due within one year		421,848
Due in more than one year		627,866
Compensated Absences:		
Due within one year		722,710
Due in more than one year		6,504,394
Other Post-Employment Benefits:		
Due within one year		-
Due in more than one year		17,715,752
Total Liabilities		37,446,885

DEFERRED INFLOWS OF RESOURCES

Taxes Collected in Advance		504,125
Deferred Revenue - State Aid		44,076
Total Deferred Inflows of Resources		548,201

NET POSITION

Net Investment in Capital Assets		6,127,708
Restricted		425,188
Unrestricted (deficit)		(21,519,061)
Total Net Position		\$ (14,966,165)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Activities
For the Year Ended May 31, 2015

PROGRAM REVENUES

Functions/Programs	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) / Revenue
Governmental Activities:					
General Government Support	\$ 4,178,817	\$ 1,426,580	\$ -	-	\$ (2,752,237)
Public Safety	14,927,728	7,236	17,663	78,210	(14,824,619)
Health	5,184	4,960	-	-	(224)
Transportation	3,478,344	-	-	374,262	(3,104,082)
Economic Opportunity and Development	23,416	-	-	-	(23,416)
Culture and Recreation	3,686,919	578,777	24,191	5,125	(3,078,826)
Home and Community Services	3,619,612	27,325	-	-	(3,592,287)
Interest on Debt	186,133	-	-	-	(186,133)
Total Governmental Activities	\$ 30,106,153	\$ 2,044,878	\$ 41,854	\$ 457,597	(27,561,824)

GENERAL REVENUES:

Real Property Taxes and Related Tax Items	23,156,365
Non-Property Taxes	461,745
Use of Money and Property	26,015
State and Federal Aid	525,707
Minor Sales and Compensation for Loss	145,381
Gain on Asset Disposition	500
Premium on Issuance of Bonds	11,456
Other Miscellaneous Revenues	20,514
Total General Revenues	24,347,683

Change in Net Position

(3,214,141)

Net Position - Beginning of Year

(11,752,024)

Net Position - End of Year

\$ (14,966,165)

See Notes to the Financial Statements

INCORPORATED VILLAGE OF FLORAL PARK
Balance Sheets
Governmental Funds
May 31, 2015

	Special Revenue					Total
	General	Capital Projects	Public Library	Swimming Pool	Community Development	
ASSETS						
Assets:						
Cash and Cash Equivalents	\$ 5,092,597	\$ 2,193,517	\$ 369,685	\$ 482,512	\$ 665	\$ 8,138,976
Tax Sales Certificates (net)	7,100	-	-	-	-	7,100
Accounts Receivable	463,452	-	-	-	-	463,452
Due From Other Funds	-	46,749	-	-	-	46,749
Inventory	15,417	-	-	-	-	15,417
Total Assets	\$ 5,578,566	\$ 2,240,266	\$ 369,685	\$ 482,512	\$ 665	\$ 8,671,694

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE

Liabilities:						
Accounts Payable	\$ 274,292	\$ 1,216,693	\$ 8,795	\$ 785	\$ -	\$ 1,500,565
Retained Percentages - Contracts Payable	7,511	300,021	-	-	-	307,532
Accrued Liabilities	276,556	-	11,516	-	-	288,072
Due to Other Funds	125,560	-	-	-	13	125,573
Due to Other Governments	38	-	-	-	-	38
Bond Anticipation Notes Payable	-	1,049,714	-	-	-	1,049,714
Total Liabilities	683,957	2,566,428	20,311	785	13	3,271,494
Deferred Inflows of Resources:						
Taxes Collected in Advance	210,810	-	-	293,315	-	504,125
Deferred Revenue - State Aid	44,076	-	-	-	-	44,076
Deferred Revenue - Real Property Taxes	7,100	-	-	-	-	7,100
Total Deferred Inflows of Resources	261,986	-	-	293,315	-	555,301
Fund Balance:						
Nonspendable	15,417	-	-	-	-	15,417
Restricted	-	425,188	-	-	-	425,188
Assigned	2,184,024	400,270	81,123	6,890	652	2,672,959
Unassigned	2,433,182	(1,151,620)	268,251	181,522	-	1,731,335
Total Fund Balance	4,632,623	(326,162)	349,374	188,412	652	4,844,899
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 5,578,566	\$ 2,240,266	\$ 369,685	\$ 482,512	\$ 665	\$ 8,671,694

INCORPORATED VILLAGE OF FLORAL PARK
Reconciliation of the Governmental Funds Balance Sheets
to the Statement of Net Position
As of May 31, 2015

Total Fund Balance - total governmental funds: \$ 4,844,899

This amount differs from the amount of Net Position shown in the Statement of Net Position due to the following:

Receivables for revenues earned, measurable but not available to provide financial resources are included in the government-wide statements as assets and are added. 7,100

Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation. 14,403,976

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds and are deducted. (541,565)

Bond interest payable applicable to the governmental activities is not due and payable in the current period and accordingly is not reported in the governmental funds. However, these liabilities are included in the liabilities in the government-wide statements and are deducted. (47,719)

Long-term liabilities are not due and payable in the current period and accordingly are not reported in the governmental funds. However, these liabilities are included as liabilities in the government-wide statements and are deducted.

Serial bonds	(8,690,000)
Compensated absences	(7,227,104)
Other post-employment benefits payable	<u>(17,715,752)</u>

Total Net Position \$ (14,966,165)

INCORPORATED VILLAGE OF FLORAL PARK
Statements of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended May 31, 2015

	General	Capital Projects	Special Revenue			Total
			Public Library	Swimming Pool	Community Development	
Revenues:						
Real Property Taxes	\$ 23,050,188	\$ -	\$ -	\$ -	\$ -	\$ 23,050,188
Real Property Tax Items	99,077	-	-	-	-	99,077
Non Property Tax Items	461,745	-	-	-	-	461,745
Departmental Income	646,011	-	11,248	492,651	-	1,149,910
Use of Money and Property	16,104	-	54	9,857	-	26,015
Licenses and Permits	386,293	-	-	-	-	386,293
Fines and Forfeitures	510,175	-	-	-	-	510,175
Sale of Property and Compensation for Loss	51,051	-	-	94,330	-	145,381
Miscellaneous Local Sources	8,343	11,456	10,671	-	-	30,470
State Aid	716,203	-	29,316	-	-	745,519
Federal Aid	225,632	-	-	-	54,007	279,639
Total Revenues	26,170,822	11,456	51,289	596,838	54,007	26,884,412
Expenditures:						
General Government Support	3,145,758	41,600	-	-	-	3,187,358
Public Safety	7,617,005	-	-	-	-	7,617,005
Health	4,939	-	-	-	-	4,939
Transportation	2,212,881	315,831	-	-	-	2,528,712
Economic Assistance and Opportunity	22,027	-	-	-	-	22,027
Culture and Recreation	1,066,327	6,336,268	1,047,324	379,103	-	8,829,022
Home and Community Services	2,388,649	-	-	-	81,000	2,469,649
Employee Benefits	7,540,442	-	325,215	16,869	-	7,882,526
Debt Service	891,564	-	-	-	-	891,564
Total Expenditures	24,889,592	6,693,699	1,372,539	395,972	81,000	33,432,802
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,281,230	(6,682,243)	(1,321,250)	200,866	(26,993)	(6,548,390)
Other Financing Sources (Uses):						
Proceeds of Long-Term Debt	-	6,750,000	-	-	-	6,750,000
Bond Anticipation Notes Redeemed	-	421,850	-	-	-	421,850
Proceeds From Asset Disposition	500	-	-	-	-	500
Transfers In	286,000	49,722	1,452,610	-	-	1,788,332
Transfers Out	(1,502,332)	-	(14,700)	(271,300)	-	(1,788,332)
Total Other Financing Sources (Uses)	(1,215,832)	7,221,572	1,437,910	(271,300)	-	7,172,350
Net Change in Fund Balance	65,398	539,329	116,660	(70,434)	(26,993)	623,960
Fund Balances at Beginning of Year	4,567,225	(865,491)	232,714	258,846	27,645	4,220,939
Fund Balances at End of Year	\$ 4,632,623	\$ (326,162)	\$ 349,374	\$ 188,412	\$ 652	\$ 4,844,899

INCORPORATED VILLAGE OF FLORAL PARK
Reconciliation of the Statements of Revenues, Expenditures and
Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
For the Year Ended May 31, 2015

Net Changes in Fund Balances shown for total governmental funds \$ 623,960

This amount differs from the change in net position shown in the Statement of Activities because of the following:

Capital outlays for acquisition of capital assets are recorded in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital expenditures	6,888,309	
Depreciation expense	<u>(1,156,581)</u>	5,731,728

Major revenues are recorded in the governmental funds when they become susceptible to accrual, that is when they are earned, measurable and available to provide current financial resources. In the Statement of Activities, major revenues are recognized when they are earned and measurable, regardless of when they become available.

7,100

The issuance of long-term liabilities provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on Net Position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

(6,430,000)

Certain expenditures for insurance premiums, interest on debt and inventory type items are recorded in the governmental funds when the payments are due. In the Statement of Activities, these costs are allocated over the applicable time period that they pertain to. Insurance premiums are allocated over the policy period that they are prepaid for; interest on debt in the period the payments become due; and inventory type items over the period the commodities are consumed. This is the amount by which the current period expenditures exceed the costs allocated over the applicable periods.

(577,984)

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Compensated Absences	(224,864)
Other post employment benefits (OPEB)	<u>(2,344,081)</u>

Change in Net Position of governmental activities shown in the Statement of Activities:

\$ (3,214,141)

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Fiduciary Net Position
May 31, 2015

ASSETS

Cash and Cash Equivalents	\$ 206,293
Service Award Program Assets	1,614,405
Due From Governmental Funds	<u>78,824</u>
Total Assets	<u>1,899,522</u>

LIABILITIES

Agency Fund Liability	285,117
Service Award Program Liability	<u>1,614,405</u>
Total Liabilities	<u>\$ 1,899,522</u>

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The Incorporated Village of Floral Park, which was established in 1908, is governed by its Charter, the Village law and other general laws of the State of New York and various local laws and ordinances. The Board of Trustees is the legislative body responsible for overall operations of the Village. The Mayor serves as Chief Executive Officer and the Village Administrator serves as Chief Fiscal Officer.

The following basic services are provided: Police, fire protection, playground, swimming pool, public library, parks for recreation and entertainment, collection and disposal of garbage and refuse, justice court and administrative zoning.

All governmental activities and functions performed by the Incorporated Village of Floral Park 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 Incorporated Village of Floral Park, (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 in GASB Statement 14.

The financial statements of the Village have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

B. BASIS OF PRESENTATION

1. Government-Wide Financial Statements:

The government-wide financial statements include a Statement of Net Position and the Statement of Activities. Fiduciary activities of the Village are not included in these statements.

The statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Village's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

period in which the liability is incurred. The types of transactions reported as program revenues for the Village are reported in three categories: 1) fees, fines, and charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All interfund balances in the Statement of Net Position have been eliminated except those representing balances between governmental activities and agency activities.

2. Fund Financial Statements:

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, which are segregated for the purpose of carrying on specific activities. The various funds are exhibited by type in the financial statements. The following fund types are used:

Fund Categories

- a. **GOVERNMENTAL FUNDS** - Governmental funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Village's governmental fund types.

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

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

Special Revenue Fund – used to account for the proceeds of specific revenue sources (other than Capital Projects) that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are utilized:

Public Library Fund – To provide entertainment and information to the residents.

Swimming Pool Fund – To provide recreation to the residents.

Community Development Fund – To administer and account for community development projects financed by funds from Federal Grants, which are received from Nassau County.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

- b. FIDUCIARY FUNDS - Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

Trust and Agency Funds – used to account for money (and/or property) received and held in the capacity of trustee, custodian or agent. These include expendable trusts, nonexpendable trusts and agency funds.

3. Equity Classifications:

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Statements

Fund balance is classified and displayed in five components:

- a. Nonspendable – Consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.
- b. Restricted – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- c. Committed – Consists of amounts that are subject to a purpose constraint imposed by a formal action of the government’s highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

- d. Assigned – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the government’s highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.
- e. Unassigned – Represents the residual classification for the government’s general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

C. MEASUREMENT FOCUS / BASIS OF ACCOUNTING

Measurement focus is the determination of what is measured, i.e. expenditures or expenses. Basis of accounting refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic measurement focus means all assets and liabilities are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if collected within 60 days from year end. Material revenues that are accrued include real property taxes and state aid. If expenditures are the prime factor for determining eligibility, revenue from federal and state grants are accrued when the expenditure is made and the resources are available. Expenses are recorded when the liability is incurred except that:

- Principal and interest on indebtedness are recognized as an expenditure at the time of payment.
- Expenditures for prepaid expenses and inventory-type items are generally recognized at the time of purchase.

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

- Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.

- Pension costs are recognized as an expenditure when billed by the State.

D. CASH AND CASH EQUIVALENTS

The Village considers all highly liquid instruments with a maturity of three months or less at the date of purchase to be cash equivalents.

E. PROPERTY TAXES

Property taxes are levied annually no later than June 1st and are subject to interest and penalties after July 1st. A tax sale for unpaid taxes is held during the year at a time fixed by the Board of Trustees after which the unpaid taxes become a lien on the property.

F. BUDGETARY DATA

1. Budget Policies – The budget policies are as follows:

- a. On or before March 31st, the budget officer submits a tentative budget to the Board of Trustees for the fiscal year commencing the following June 1st. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- b. After public hearings are conducted to obtain taxpayer comments, no later than April 15th, the governing board adopts the budget.
- c. All modifications of the budget must be approved by the Board of Trustees.

2. Budget Basis of Accounting:

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

3. Encumbrances:

Encumbrance accounting is a system, under which purchase orders, contracts and other commitments for the expenditures of funds are recorded for budgetary control purposes to reserve that portion of the applicable appropriation. Encumbrances are reported as assignments of fund balance since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

G. INVENTORY

Inventory consists of fuel in storage tanks for use in Village vehicles and is valued at cost, utilizing the first-in, first-out method for the General Fund.

H. CAPITAL ASSETS

Capital assets, which include land, construction in progress, buildings, land improvements, machinery and equipment, and infrastructure, are reported at original cost. Depreciation has been recorded using the straight-line method over 2 to 20 years for machinery and equipment, 20 years for land improvements, 40 years for buildings and 50 years for infrastructure. Land and construction in progress are not depreciated. The Village has established a capitalization threshold for assets of \$2,000. Contributed or donated fixed assets are recorded at fair market value at the date received.

I. COMPENSATED ABSENCES

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.

Estimated vacation and sick leave and compensatory absences accumulated by employees have been recorded in the government-wide financial statements.

Payment of vacation and sick leave recorded in the government-wide financial statements 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.

J. OTHER POST-EMPLOYMENT BENEFITS

In addition to providing pension benefits, the Village provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Village's full time employees may become eligible for these benefits.

Healthcare benefits and survivor 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 governmental funds in the year paid. The liability for these other post-employment benefits payable is recorded as a long-term debt in the government-wide statements. The current portion of this debt is estimated based on the most recent actuarial valuation in accordance with the parameters of GASB Statement No. 45.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

K. INSURANCE

The Village assumes the liability for most risk including, but not limited to, property damage, personal injury liability and workers' compensation. 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. The Village carries various insurance policies to mitigate any losses that might occur.

L. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results may differ from those estimates.

M. 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. Deferred outflows of resources represent a consumption of new position that applies to a future period and so will not be recognized as an outflow of resources (expenditure/expense) until that time.

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

II. DETAIL NOTES ON ALL FUNDS

A. ASSETS

1. Cash and Investments:

The Village's cash and cash equivalents consist of cash on hand and, time and demand deposits. 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 specified FDIC-insured commercial banks located in New York State. The Village Administrator is authorized to use demand accounts and certificates of deposit. Permissible investments include: obligations of the U.S. Treasury, obligations of New York State (or its localities if approved by the State Comptroller), and repurchase agreements. All deposits and investments are carried at cost plus accrued interest.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

Third party collateral is required for demand deposits, money market accounts and certificates of deposit at 100 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are the same as the permissible investments mentioned above.

Deposits and investments at year-end were entirely covered by federal depository insurance or by collateral held by the Village's third party custodial bank. They consisted of:

Deposits: All deposits are carried at cost plus accrued interest.

Bank balances for the Village's deposits with financial institutions as of May 31, 2015 totaled \$8,746,735 and are categorized as follows:

Checking - Demand Deposits	\$ 3,826,134
Checking - Time Deposits	<u>4,920,601</u>
Total Balances	<u><u>\$ 8,746,735</u></u>
Amount FDIC Insured	610,576
Amount provided by Village's Custodial Banks	<u>8,136,159</u>
Total Amounts	<u><u>\$ 8,746,735</u></u>

2. Property Taxes:

Tax sale certificates held by the Village as of May 31, 2015 were \$7,100, and are offset by deferred revenue of \$7,100.

3. Interfund Receivables and Payables

Temporary advances between funds and unpaid interfund charges will be reimbursed subsequent to year end. The interfund receivable and payable balances at May 31, 2015 are as follows:

	<u>Amount Receivable</u>	<u>Amount Payable</u>
General Fund	\$ -	\$ 125,560
Capital Projects Fund	46,749	-
Community Development	-	13
Trust and Agency Fund	<u>78,824</u>	-
Totals	<u><u>\$ 125,573</u></u>	<u><u>\$ 125,573</u></u>

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

During the year, the budgeted transfer of \$1,452,610 from the General Fund to the Public Library Fund was made to support the operations of the Library. In addition, transfers totaling \$49,722 were made from the General Fund to the Capital Projects Fund to cover the costs of capital projects. Also during the year, a total of \$286,000 was transferred from the Public Library Fund and the Swimming Pool Fund to the General Fund to cover their share of liability insurance and workers compensation costs, as well as, the Swimming Pool Funds share of the serial bond. Following is a summary of interfund transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 286,000	\$ 1,502,332
Capital Projects Fund	49,722	-
Public Library Fund	1,452,610	14,700
Swimming Pool Fund	-	271,300
Totals	<u>\$ 1,788,332</u>	<u>\$ 1,788,332</u>

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

4. Changes in Capital Assets:

A summary of changes in capital assets follows:

<u>Capital Assets</u>	Balance May 31, 2014	Additions	Deletions	Balance May 31, 2015
Land	\$ 3,051,107	\$ -	\$ -	\$ 3,051,107
Construction in Progress	-	6,336,268	-	6,336,268
Buildings	5,051,401	-	-	5,051,401
Improvements	2,772,156	-	-	2,772,156
Machinery and Equipment	8,867,821	552,041	(188,737)	9,231,125
Infrastructure	3,861,850	-	-	3,861,850
	<u>23,604,335</u>	<u>6,888,309</u>	<u>(188,737)</u>	<u>30,303,907</u>
<u>Accumulated Depreciation</u>				
Land	-	-	-	-
Construction in Progress	-	-	-	-
Buildings	(2,653,489)	(126,285)	-	(2,779,774)
Improvements	(2,501,500)	(138,608)	-	(2,640,108)
Machinery and Equipment	(7,012,214)	(814,451)	188,737	(7,637,928)
Infrastructure	(2,764,884)	(77,237)	-	(2,842,121)
	<u>(14,932,087)</u>	<u>(1,156,581)</u>	<u>188,737</u>	<u>(15,899,931)</u>
<u>Totals</u>				
Land	3,051,107	-	-	3,051,107
Construction in Progress	-	6,336,268	-	6,336,268
Buildings	2,397,912	(126,285)	-	2,271,627
Improvements	270,656	(138,608)	-	132,048
Machinery and Equipment	1,855,607	(262,410)	-	1,593,197
Infrastructure	1,096,966	(77,237)	-	1,019,729
Capital Assets, (net)	<u>\$ 8,672,248</u>	<u>\$ 5,731,728</u>	<u>\$ -</u>	<u>\$ 14,403,976</u>

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental Activities

General Government Support	\$ 175,907
Public Safety	458,449
Health	245
Transportation	113,034
Economic Assistance and Opportunity	1,389
Culture and Recreation	134,862
Home and Community Services	272,695
Total depreciation expense – Governmental Activities	<u>\$ 1,156,581</u>

B. LIABILITIES

1. Pension Plan:

Plan Description

The Incorporated Village of Floral Park participates in the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS) and the Public Employees' Group Life Insurance Plan (Systems). The ERS and PFRS together are generally known as the "Common Retirement Fund." The Retirements Systems are cost-sharing multiple-employer retirement systems. The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

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 (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The 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.

The Incorporated Village of Floral Park is required to contribute at an actuarially determined rate. The Village's contributions were equal to 100 percent of the contributions required for each year.

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

Funding Policy

The Retirement Systems are noncontributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute 3% of gross annual salary toward the cost of the retirement programs. Chapter 86 of the Laws of 2000 eliminated the 3% contribution for Tier 3 and Tier 4 members with 10 years of service credit. Under the authority of the NYSRSSL, the Comptroller annually certifies the rates used in computing the employers' contributions. The required contributions paid for the current year and two preceding years were:

2014-2015	\$ 3,249,390
2013-2014	3,012,366
2012-2013	2,416,117

Chapter 260 of the Laws of 2004 of the State of New York was enacted that allows local employers to bond or amortize a portion of their retirement bill for up to 10 years in accordance with the following schedule:

- For State fiscal year (SFY) 2004-05, the amount in excess of 7 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the bonding/amortization was instituted.
- For SFY 2005-06, the amount in excess of 9.5 percent of employees' covered pensionable salaries.
- For SFY 2007-08, the amount in excess of 10.5 percent of employees' covered pensionable salaries.

This law requires participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts relating to the System's fiscal years ending March 31, 2005 through 2008.

2. Bond Anticipation Notes Payable (BANs)

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 BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for period's equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. As of May 31, 2015, the Village had outstanding BANs of \$1,049,714.

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

Summary of BANs

<u>Description</u>	<u>Amount</u>	<u>Interest Rate</u>
Village Vehicle 2011	\$ 74,782	1.40%
Various Village Purposes	180,000	1.25%
Village Vehicle 2014	724,932	0.95%
Various Village Purposes	70,000	1.45%

3. Long-Term Debt:

- a. Outstanding bond indebtedness aggregated \$8,690,000.
- b. Serial Bonds – The Incorporated Village of Floral Park, like most municipalities, borrows money in order to acquire land or equipment or construct buildings and equipment. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount authorized by the Village to be collected in future years from taxpayers and others for liquidation of long-term liabilities.
- c. Other Long-Term Debt – In addition to the above long-term debt the local government had the following non-current liabilities:
 - Compensated Absences – Represents the value of earned and unused portion of the liability for compensated absences.
 - Police Termination – Represents contractual agreement to pay police officers termination pay based on length of service.
 - Other Post-employment Benefits (OPEB) – Represents post-employment medical insurance benefits to eligible retired participants.
- d. Summary Long-Term Debt – The following is a summary of long-term liabilities outstanding at May 31, 2015 by fund type:

	<u>General</u>	<u>Capital Projects</u>
Serial Bonds	\$ 1,940,000	\$ 6,750,000
Total Bonds	1,940,000	6,750,000
Compensated Absences	7,227,104	-
Other Post-Employment Benefits	17,715,752	-
Total Long-Term Debt	<u>\$ 26,882,856</u>	<u>\$ 6,750,000</u>

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

- e. The following is a summary of changes in long-term liabilities for the period May 31, 2015:

	Serial Bonds	Compensated Absences	Other Post- Employment Benefits
Payable at beginning of fiscal year	\$ 2,260,000	\$ 7,002,240	\$ 15,371,671
Additions	6,750,000	224,864	3,498,375
Reductions	(320,000)	-	(1,154,294)
Payable at end of fiscal year	\$ 8,690,000	\$ 7,227,104	\$ 17,715,752

- f. Long-Term Debt Maturity Schedule – The following is a statement of serial bonds with corresponding maturity schedules as of May 31, 2015:

Description by Fund	Original Date Issued	Original Amount	Rate %	Date Final Maturity	Outstanding
General Fund	2/5/2013	\$ 2,565,000	2.00%	8/15/2022	\$ 1,940,000
Capital Projects Fund	9/9/2014	6,750,000	2.00%-3.25%	3/15/2035	6,750,000
				Total	\$ 8,690,000

- g. The following table summarizes the Incorporated Village of Floral Park's future debt service requirements as of May 31, 2015:

Serial Bonds			
Ending Date	Principal	Interest	Total
May 31:			
2016	\$ 340,000	\$ 210,131	\$ 550,131
2017	615,000	200,581	815,581
2018	620,000	188,231	808,231
2019	620,000	175,831	795,831
2020	615,000	163,481	778,481
2021-2025	1,935,000	680,031	2,615,031
2026-2030	1,825,000	463,144	2,288,144
2031-2035	2,120,000	169,717	2,289,717
Total	\$ 8,690,000	\$ 2,251,147	\$ 10,941,147

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

C. DEFINED BENEFIT VOLUNTEER FIREFIGHTER SERVICE AWARD PROGRAM

The Incorporated Village of Floral Park financial statements are for the year ended May 31, 2015. However, the information contained in this note is based on Asset and Service Credit information for the Length of Service Awards Program (LOSAP) for the plan year ending on December 31, 2014, which is the most recent plan year for which complete information is available. This note is based on information derived from the annual report prepared by the actuary (Penflex, Inc.).

The Incorporated Village of Floral Park established a defined contribution Service Award Program (referred to as "LOSAP" – Length of Service Award Program – under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 1994 for the active volunteer firefighter members of the Floral Park Fire Department. 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 Incorporated Village of Floral Park is the Sponsor of the Program and the Program Administrator.

1. Program Description:

Participation, vesting and service credit

In a defined contribution LOSAP, each Participant has an individual Program account. An eligible Program Participant is defined by the Program Sponsor to be an active volunteer firefighter who is at least 18 years of age and has earned one (1) year of Service Award Program Service Credit. Each Participant's Individual Program account is credited with a service award contribution as of the end of each year during which the volunteer met the requirements to earn a year Service Award Program Service Credit. The Participant is paid his or her account balance upon attainment of the Entitlement Age. The Program's Entitlement Age is age 65. The amount paid will vary depending upon the number of years of Service Credit earned by the Participant and the investment income (less administrative and/or investment expenses not paid by the Program Sponsor) earned by the Program assets and allocated to the Participant's Program account.

Participants acquire a non-forfeitable right to be paid their Program account balance after earning credit for five (5) years of service, attaining the Program's Entitlement Age while an active volunteer, becoming totally and permanently disabled or dying while an active volunteer firefighter. An active volunteer firefighter earns a year of Service Award Program Service Credit for each calendar year after establishment of the Program in which he or she accumulates fifty or more points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the Sponsor on the basis of a statutory list of activities and point values. A Participant may also receive Service Award Program credit for five (5) years of active volunteer firefighting service rendered prior to the establishment of the

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

Program as an active volunteer firefighter member of the Floral Park Fire Department.

Benefits

A participant's benefit under the Program is his or her Program account balance paid upon attainment of the Entitlement Age in a lump sum to the Participant. The annual contribution paid by the Village and credited to the account of a Participant who earned fifty points during a calendar year is currently \$700. The maximum number of years of service credit a Participant may earn under the Program is 40 years. Currently, there are no other forms of payment of a volunteer's earned service award under the Program. Except in the case of Pre-Entitlement Age death or total and permanent disablement, a Participant's account balance will not be paid until a Participant attains the Entitlement Age. Volunteers who continue to be active after attaining the Entitlement Age continue to have the opportunity to earn Program credit and to thereby be paid additional service awards. The Pre-Entitlement Age death and disability benefit is equal to the Participant's Program account balance as of the December 31st preceding the date of death or 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.

2. Fiduciary Investment and Control:

After the end of each calendar year, the fire department prepares and certifies a list of names of all persons who were active volunteer members of the fire department during the year indicating which volunteers earned fifty points. The certified list is delivered to the Village Board of Trustees for the Board's review and approval. The fire department must maintain the point system records to verify each volunteer's points on forms provided and/or approved by the Village Board of Trustees.

The Village Board of Trustees has retained Penflex, Inc. to assist in the administration of the Program. Based on the certified calendar year volunteer firefighter listings, Penflex determines and certifies in writing to the Village Board of Trustees the amount of the service award to be paid to a participant or to a participant's designated beneficiary. The person(s) authorized by the Village Board of Trustees then authorizes, in writing, the custodian of the Incorporated Village of Floral Park's LOSAP trust funds to pay the service award. No service award benefit payment is made without the written certification from Penflex and the written directive from the authorized representative of the Village Board of Trustees.

Penflex bills the Incorporated Village of Floral Park for the services it provides. Penflex's invoices are authorized for payment by the Village Board of Trustees in the same manner as any other invoice presented to the Village for payment. The Village pays Penflex invoices from its General Fund.

Program assets are required to be held in trust by Article 11-A, for the exclusive

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

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 Village Board of Trustees created a Service Award Program Trust Fund through the adoption of a Trust Document, a copy which is available from the Village Clerk. The Village Board of Trustees is the Program Trustee.

Authority to invest the Program assets is vested in the Program Trustee. Program assets are invested in accordance with a statutory prudent person rule. The Village Board of Trustees has retained UBS Financial Services to provide investment management and custodial services.

3. Program Financial Condition:

Assets and Liabilities

Actuarial Present Value of Benefits at 12/31/14	\$ 1,691,087
Total Net Position Available for Benefits	<u>1,691,087</u>
Total Unfunded Benefits	-
Less: Unfunded Liability for Prior Service	-
Unfunded Normal Benefits	<u><u>\$ -</u></u>

Prior Service Costs

Prior service costs have been amortized and paid.

Contributions

Amount of sponsor's contribution recommended by actuary:	\$81,467
Amount of sponsor's actual contribution:	\$81,467

4. 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 present value of benefits are:

Assumed rate of return on investment 3.00%

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

D. DEFICIT FUND BALANCE – CAPITAL PROJECT FUND

As of May 31, 2015, the Village had a deficit fund balance in the Capital Projects Fund of \$326,162. The deficit will be eliminated as short-term debt is redeemed or converted to permanent financing.

E. FUND BALANCE

The government's fund balance classification policies and procedures are as follows:

1. For committed fund balances:
 - a. The government's highest level of decision-making authority resides with the Board of Trustees.
 - b. The formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment is through formal resolution by the Board.
2. For assigned fund balances:
 - a. The body or official authorized to assign amounts to specific purpose is the Board of Trustees.
 - b. The policy established by the governing body pursuant to which the authorization to assign amounts to a specific purpose is given to the Board of Trustees.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned or unassigned) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the assigned fund balance to the extent that there is an assignment and then from the unassigned fund balance. The Village has made the following fund balance designations:

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

	General	Capital Projects	Public Library	Swimming Pool	Community Development
Non-Spendable Fund Balance:					
Inventory	\$ 15,417	\$ -	\$ -	\$ -	\$ -
Total Non-Spendable Fund Balance	<u>\$ 15,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Restricted Fund Balance:					
Premium on Bonds	\$ -	\$ 11,456	\$ -	\$ -	\$ -
Unspent Bond Proceeds	-	413,732	-	-	-
Total Restricted Fund Balance	<u>\$ -</u>	<u>\$ 425,188</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Assigned Fund Balance:					
Board Approved Risk	\$ 1,552,213	\$ -	\$ -	\$ -	\$ -
Next Years Budget	250,000	-	-	-	-
Encumbrances	381,811	400,270	81,123	6,890	652
Total Assigned Fund Balance	<u>\$ 2,184,024</u>	<u>\$ 400,270</u>	<u>\$ 81,123</u>	<u>\$ 6,890</u>	<u>\$ 652</u>

F. DEFERRED COMPENSATION PLAN

Employees of the Village may elect to participate in the Village of Floral Park Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. The plan is maintained through an insurance company, and the Village maintains no funds.

G. POST EMPLOYMENT HEALTHCARE PLAN

In the government-wide financial statements, the cost of other post-employment benefits (OPEB), like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended May 31, 2009, the Village recognizes the cost of other post-employment benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Village's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing in 2009.

The information provided on this note to the financial statements was prepared by USI Consulting Group, an actuarial firm retained by the Village.

INCORPORATED VILLAGE OF FLORAL PARK

Notes to the Financial Statements

For the Year Ended May 31, 2015

Plan Description. The Village operates a single employer defined benefit OPEB plan, which is being funded on a pay-as-you-go basis. Per its contract with employees, the Village will pay various percentages of the premium costs for medical insurance coverage (currently provided through the New York State Health Insurance Plan) at retirement. These percentages are based upon employee classification and hire date. The Village has two classifications for employees. They are as follows:

- Police: 20 years of service
- Non-Police: Age 55 and 5 years of service

The Village pays 100% of the retiree's medical premium for employees who retire with at least 25 years of service and 55 years of age, or 15 years of service and 65 years of age. Otherwise, the Village pays 50% of the individual premium and 35% of the additional cost of the family premium.

The Village pays the same percentage for the retiree's spouse during the retiree's lifetime. Upon the death of a retiree, 100% is paid by the survivor, the Village continues to reimburse Medicare Part B. Annual medical premiums (effective 1/1/2014-12/31/2014) for the NYSHIP Pre 65 Plan are \$9,258 annually for Single and \$20,570 annually for Family. The Village reimburses the retiree for payment of the Medicare Part B premium, \$1,258.80 for 2015. The cost of a \$2,500 life insurance policy (limited to \$100 per year) is paid by the Village only for employees who retire with the Village and meet the same service requirements needed for full health insurance premium coverage for the Village, with the exception of police officers who are not eligible for this benefit.

Funding Policy. The contribution requirements of plan members and the Village are established by village contracts. For fiscal year 2015, the Village contributed \$1,154,294 to the plan (contribution made was assumed to equal Expected Benefit Payments).

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

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

Annual required contribution	\$ 3,639,966
Interest on net OPEB obligation	614,866
Adjustment to annual required contribution	<u>(756,457)</u>
Annual OPEB cost (expense)	3,498,375
Contributions made	<u>(1,154,294)</u>
Increase in net OPEB obligation	2,344,081
Net OPEB obligation—beginning of year	<u>15,371,671</u>
Net OPEB obligation—end of year	<u><u>\$ 17,715,752</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years ending 2015 and the preceding two years were as follows (dollar amounts in thousands):

Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation	Covered Payroll	OPEB Cost of Payroll
\$ 3,498,375	33.0%	\$ 17,715,752	\$ 10,173,058	34.4%
3,719,576	29.7%	12,757,099	9,117,005	40.8%
3,546,340	27.4%	10,142,527	8,766,351	40.5%

Funded Status and Funding Progress. As of June 1, 2014, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$43,573,245, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$43,573,245. The covered payroll (annual payroll of active employees covered by the plan) was \$10,173,058, and the ratio of the UAAL to the covered payroll was 428.3 percent.

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.

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

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

In the June 1, 2014 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8.0 percent initially, reduced by decrements to an ultimate rate of 5 percent after six years. The UAAL is being amortized as a level percentage of projected payroll at a payroll growth rate of 2.5 percent. The remaining amortization period at May 31, 2015 was twenty-five years.

H. CONCENTRATION OF RISK

The Village maintains all cash and cash equivalents in multiple depositories. FDIC insurance covers all government accounts up to \$250,000 (per official custodian) for demand accounts and time and savings accounts. All deposits in excess of the FDIC limit are fully collateralized.

I. COMMITMENTS AND CONTINGENCIES

State Grants

The Village is a recipient of a number of State grants. These grants are administered by various agencies. These grants are subject to various compliance and financial audits by the respective agencies administering the grants, which could lead to certain disallowances and a request for a return of funds. The Board believes that they have substantially complied with the rules and regulations as specified under the various grant agreements as well as rules and regulations of the respective agency for each grant.

Tax Certiorari

There are presently pending against the Village a number of real property tax review proceedings requesting reductions in assessed valuations of various properties for both past and current years. The financial exposures in these cases are indeterminable at this time.

INCORPORATED VILLAGE OF FLORAL PARK
Notes to the Financial Statements
For the Year Ended May 31, 2015

Other

The Village is subject to litigation in the ordinary conduct of its affairs. Management does not believe however, that such litigation, individually or in the aggregate, is likely to have a material effect on the financial statements.

There are no contingencies that the Village is aware of that would have a material impact on the financial statements.

J. SUBSEQUENT EVENTS

The date to which events occurring after May 31, 2015, the date of the most recent financial statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is January 25, 2016, which is the date on which the financial statements were available to be issued. Subsequent to May 31, 2015, the Village issued a Bond Anticipation Note in the amount of \$1,027,866 for various capital purposes. In addition, in September 2015, the Village sold property at 185 Magnolia Avenue, Floral Park, NY 11001 which was no longer needed for public purpose for a price of \$150,000.

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended May 31, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues:			
Real Property Taxes	\$ 23,033,311	\$ 23,033,311	\$ 23,050,188
Real Property Tax Items	87,323	87,323	99,077
Non Property Tax Items	448,000	448,000	461,745
Departmental Income	746,032	746,032	646,011
Use of Money and Property	26,880	26,880	16,104
Licenses and Permits	341,500	341,500	386,293
Fines and Forfeitures	515,600	515,600	510,175
Insurance Recoveries and Minor Sales	24,600	24,600	51,051
Miscellaneous Local Sources	317,700	317,700	8,343
State Aid	518,898	518,898	716,203
Federal Aid	4,000	4,000	225,632
	<u>26,063,844</u>	<u>26,063,844</u>	<u>26,170,822</u>
Total Revenues			
Expenditures:			
General Government Support	3,620,548	3,620,661	3,145,758
Public Safety	7,330,930	7,382,636	7,617,005
Health	4,900	4,900	4,939
Transportation	2,023,683	2,178,958	2,212,881
Economic Opportunity and Development	36,640	36,295	22,027
Culture and Recreation	1,121,626	1,148,216	1,066,327
Home and Community Services	3,078,534	3,261,083	2,388,649
Employee Benefits	6,774,570	7,220,539	7,540,442
Debt Service	941,850	941,850	891,564
	<u>24,933,281</u>	<u>25,795,138</u>	<u>24,889,592</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,130,563	268,706	1,281,230
Other Financing Sources (Uses):			
Proceeds From Asset Disposition	-	-	500
Transfers In	286,000	286,000	286,000
Transfers Out	<u>(1,416,563)</u>	<u>(1,417,457)</u>	<u>(1,502,332)</u>
	<u>(1,130,563)</u>	<u>(1,131,457)</u>	<u>(1,215,832)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (862,751)</u>	65,398
Fund Balance at Beginning of Year			<u>4,567,225</u>
Fund Balance at End of Year			<u>\$ 4,632,623</u>

See Notes to the Financial Statements

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Public Library Fund
For the Year Ended May 31, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues:			
Departmental Income	\$ 16,200	\$ 16,200	\$ 11,248
Use of Money and Property	150	150	54
Miscellaneous Local Sources	3,200	3,200	10,671
State Aid	4,200	4,200	29,316
	<u>23,750</u>	<u>23,750</u>	<u>51,289</u>
Total Revenues			
Expenditures:			
Culture and Recreation	1,078,111	1,128,551	1,047,324
Employee Benefits	347,502	347,502	325,215
	<u>1,425,613</u>	<u>1,476,053</u>	<u>1,372,539</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,401,863)	(1,452,303)	(1,321,250)
Other Financing Sources (Uses):			
Transfers In	1,416,563	1,417,457	1,452,610
Transfers Out	(14,700)	(14,700)	(14,700)
	<u>1,401,863</u>	<u>1,402,757</u>	<u>1,437,910</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (49,546)</u>	116,660
Fund Balance at Beginning of Year			<u>232,714</u>
Fund Balance at End of Year			<u>\$ 349,374</u>

INCORPORATED VILLAGE OF FLORAL PARK
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Swimming Pool Fund
For the Year Ended May 31, 2015
(Unaudited)

	Original Budget	Final Budget	Actual
Revenues:			
Departmental Income	\$ 516,485	\$ 516,485	\$ 492,651
Use of Money and Property	200	200	-
Sale of Property and Compensation for Loss	9,000	9,000	9,857
Miscellaneous Local Sources	23,400	23,400	94,330
Total Revenues	549,085	549,085	596,838
Expenditures:			
Culture and Recreation	397,361	402,757	379,103
Employee Benefits	20,424	20,424	16,869
Total Expenditures	417,785	423,181	395,972
Excess (Deficiency) of Revenues Over (Under) Expenditures	131,300	125,904	200,866
Other Financing Sources (Uses):			
Transfers Out	(271,300)	(271,300)	(271,300)
Total Other Financing Sources (Uses)	(271,300)	(271,300)	(271,300)
Net Change in Fund Balance	\$ (140,000)	\$ (145,396)	(70,434)
Fund Balance at Beginning of Year			258,846
Fund Balance at End of Year			\$ 188,412

INCORPORATED VILLAGE OF FLORAL PARK
Required Supplemental Information
For the Year Ended May 31, 2015
(Unaudited)

Schedule of Funding Progress for the Retiree Health Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)— Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
6/1/2008	-	\$ 32,681,852	\$ 32,681,852	0.0%	\$ 9,030,721	361.9%
6/1/2011	-	40,564,626	40,564,626	0.0%	8,766,351	462.7%
6/1/2014	-	43,573,245	43,573,245	0.0%	10,173,058	428.3%