

TOWN OF EASTCHESTER, NEW YORK

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014

TOWN OF EASTCHESTER, NEW YORK

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014

Prepared by
Comptroller's Office
Dawn T. Donovan
Comptroller

Town of Eastchester, New York

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014
Table of Contents

Page No.

INTRODUCTORY SECTION

Principal Officials	i
Organization Chart	ii
Letter of Transmittal	iii
Certificate of Achievement for Excellence in Financial Reporting	viii

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet - Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the Government- Wide Statement of Net Position - Governmental Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Town Outside Villages, Highway and Special Districts Funds	22
Proprietary Funds	
Statement of Net Position	25
Statement of Revenues, Expenses and Changes in Net Position	26
Statement of Cash Flows	27
Statement of Assets and Liabilities - Fiduciary Fund	28
Notes to Financial Statements	29
Required Supplementary Information	
Other Postemployment Benefits - Schedule of Funding Progress - Last Three Fiscal Years	58

Town of Eastchester, New York

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014
Table of Contents (Continued)

Page No.

Combining and Individual Fund Financial Statements and Schedules

Major Governmental Funds

General Fund

Comparative Balance Sheet	59
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	60
Schedule of Revenues and Other Financing Sources Compared to Budget	62
Schedule of Expenditures and Other Financing Uses Compared to Budget	64

Town Outside Villages Fund

Comparative Balance Sheet	67
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	68
Schedule of Revenues and Other Financing Sources Compared to Budget	70
Schedule of Expenditures Compared to Budget	72

Highway Fund

Comparative Balance Sheet	74
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	75

Special Districts Fund

Combining Balance Sheet - Sub-Funds	77
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub-Funds	79

Capital Projects Fund

Comparative Balance Sheet	81
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	82
Project-Length Schedule	83

Non-Major Governmental Funds

Combining Balance Sheet	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	87

Public Library Fund

Comparative Balance Sheet	89
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	90

Section 8 Housing Fund

Comparative Balance Sheet	92
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	93

Special Purpose Fund

Comparative Balance Sheet	94
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	95

Town of Eastchester, New York

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014
Table of Contents (Continued)

	<u>Page No.</u>
Enterprise Fund - Lake Isle	
Comparative Statement of Net Position	96
Comparative Statement of Revenues, Expenses and Changes in Net Position	97
Comparative Statement of Cash Flows	98
Internal Service Funds	
Combining Statement of Net Position	99
Combining Statement of Revenues, Expenses and Changes in Net Position	100
Combining Statement of Cash Flows	101
Workers' Compensation Benefits Fund	
Comparative Statement of Net Position	103
Comparative Statement of Revenues, Expenses and Changes in Net Position	104
Comparative Statement of Cash Flows	105
General Liability Claims Fund	
Comparative Statement of Net Position	106
Comparative Statement of Revenues, Expenses and Changes in Net Position	107
Comparative Statement of Cash Flows	108
Statement of Changes in Assets and Liabilities - Agency Fund	109

STATISTICAL SECTION (Unaudited)
--

This part of the Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the Town's overall financial health.

This section includes the following schedules

Financial Trends	
Net Position by Component - Last Ten Fiscal Years	110
Changes in Net Position - Last Ten Fiscal Years	112
Fund Balances of Governmental Funds - Last Ten Fiscal Years	116
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	118
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	120
Direct and Overlapping Property Tax Rates, Per \$1,000 of Assessed Valuation - Last Ten Fiscal Years	122
Principal Taxpayers - Current Year and Nine Years Ago	123
Property Tax Levies and Collections - Last Ten Fiscal Years	124

Town of Eastchester, New York

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2014
Table of Contents (Concluded)

	<u>Page No.</u>
Debt Capacity	
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	125
Direct and Overlapping Governmental Activities Debt	127
Legal Debt Margin Information - Last Ten Fiscal Years	128
Demographic and Economic Information	
Demographic Statistics - Last Ten Fiscal Years	130
Principal Employers - Current Year and Nine Years Ago	131
Operating Information	
Full-Time Equivalent Town Government Employees by Function - Last Ten Fiscal Years	132
Total Salaries of Town Government Employees by Function - Last Ten Fiscal Years	134
Operating Indicators by Function/Program - Last Ten Fiscal Years	136
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	142

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

FEDERAL AWARDS

Federal Programs:

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	144
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by OMB Circular A-133	146
Schedule of Expenditures of Federal Awards	148
Notes to Schedule of Expenditures of Federal Awards	149
Summary Schedule of Prior Audit Findings	150
Schedule of Findings and Questioned Costs	151

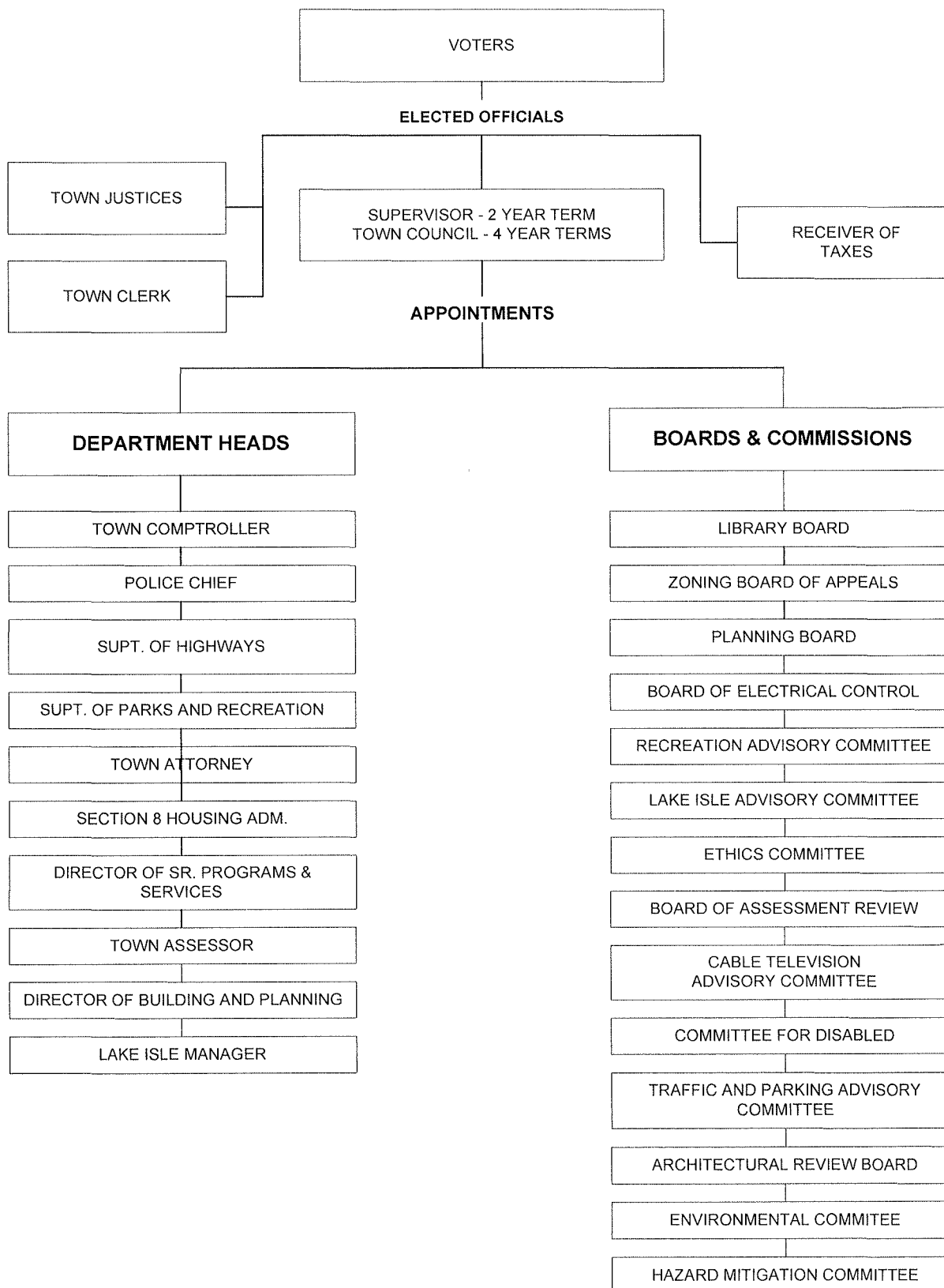
INTRODUCTORY
SECTION

(This page intentionally left blank)

**TOWN OF EASTCHESTER,
NEW YORK
PRINCIPAL OFFICIALS**

SUPERVISOR:	ANTHONY COLAVITA
TOWN BOARD:	LUIGI MARCOCCIA GLENN BELLITTO JOSEPH DOOLEY THERESA NICHOLSON
TOWN CLERK:	LINDA LAIRD
RECEIVER OF TAXES:	ROCCO CACCIOLA
TOWN COMPTROLLER:	DAWN T. DONOVAN

STRUCTURE OF EASTCHESTER TOWN GOVERNMENT



Supervisor
ANTHONY S. COLAVITA

Council Members
LUIGI V. MARCOCCIA
GLENN D. BELLITTO
JOSEPH D. DOOLEY
THERESA V. NICHOLSON

Town Clerk
LINDA D. LAIRD

Receiver of Taxes
ROCCO N. CACCIOLA

Founded



1664

TOWN OF EASTCHESTER
40 Mill Road, Eastchester, New York 10709
www.eastchester.org

Comptroller
DAWN T. DONOVAN

(914) 771-3330
(914) 771-9409 FAX

comptroller@eastchester.org

March 2, 2015

To the Honorable Supervisor, Town Board
and Citizens of the Town of Eastchester, New York:

The Comprehensive Annual Financial Report ("CAFR") for the Town of Eastchester, New York ("Town") for the fiscal year ended December 31, 2014 is herewith submitted. The New York State Comptroller's Office requires the Town to submit an annual report of the financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP"). The Town has elected to have these statements audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to this requirement.

The report was prepared by the Town Comptroller's Office, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to

provide reasonable assurance that the financial statements of the Town, for the fiscal year ending December 31, 2014, are free from material misstatement. The independent audit involved the examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the Town's basic financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2014 financial statements to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE TOWN OF EASTCHESTER, NEW YORK

Ten families who migrated from Fairfield, Connecticut established the Town's first permanent settlement in 1664. The settlement was ruled by laws in the Eastchester Covenant, which consisted of provisions for education of children, disposition and upkeep of property and the support of a minister. This type of document was very rare for this period of time. The boundaries of the Town went through many disputes during these early years. Finally, in 1898, the Village of Bronxville was incorporated. This was followed, in 1903, by the incorporation of the Village of Tuckahoe. Today, the Town is bound by Scarsdale on the north, New Rochelle on the east, Mount Vernon on the south and Yonkers on the west. The Town covers approximately five square miles and includes the villages of Bronxville and Tuckahoe and the unincorporated area known as the Town Outside of the Villages.

The Town's governing body is the Town Board, comprised of a Supervisor and four Board members who are elected at large by the voters. The Town Board is the sole legislative, executive and fiscal authority for local matters, including planning and zoning. The powers and duties of town boards are specifically defined in the Town Law of the

State of New York and in Suburban Town Law. The Supervisor is both the chief executive officer and chief fiscal officer of the Town, is elected for a two-year term and is responsible for the administration of the Town government. The Supervisor, with the assistance and advice of the Town Comptroller, prepares and presents the Town's budget to the Town Board. The Supervisor is the chairman of the Town Board, and presides at all Town meetings. The four Board members are elected for four (4) year overlapping terms.

The Town provides the following services to its residents: public safety, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

ECONOMIC CONDITION AND OUTLOOK

The Town, with a population of approximately 32,400, also includes the Villages of Tuckahoe and Bronxville. According to the 2010 Census, approximately 19,600 people live in the unincorporated area of the Town, while 6,300 live within the Village of Bronxville and another 6,500 within the Village of Tuckahoe.

The Town is economically sound, and is a highly desirable location, five miles south of White Plains and 20 miles north of New York City. The Town boasts strong property values and a low commercial vacancy rate. The Town is nestled between the Hutchinson River and Bronx River Parkways; Route 22 goes through the middle of the Town. The Town is served by Metro North Railroad and has three stations; Crestwood, Tuckahoe, and Bronxville.

MAJOR ACCOMPLISHMENTS

The Town continued its program of repairing sidewalks and curbs. In 2014, approximately \$92,000 was spent on repairs to sidewalks and curbs (\$197,000 in 2013). The resurfacing for Town roads amounted to \$590,000 (\$780,000 in 2013). The Town purchased a piece equipment to be used for highway and refuse operations totaling \$200,000. All of the equipment and vehicles purchased will replace old, outdated capital assets.

FUTURE PROJECTS AND INITIATIVES

The Town will be putting together a committee to do a study of long-range plans for the Lake Isle Country Club.

LONG TERM FINANCIAL PLANNING

- The Town has had a long-term commitment of yearly street resurfacing, sidewalk and curb replacement. This commitment will continue in the future to maintain the good condition of all streets in the Town.
- The Town will continue with a capital program in which all departments submit requests for replacement vehicles, large equipment, and improvements to building and parks. The determination of approved projects is based on the need of the department and economics of the Town.

RELEVANT FINANCIAL POLICIES

The Town prepares its budgets, capital improvement plans and forecasts with various financial policies in mind, including cash management and investment, capital assets, debt management, revenues and expenditures, operating position and procurement/purchasing. The Town does not foresee any issues with its ability to comply with the current policies in the implementation of its near and long-term initiatives.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This is the sixteenth consecutive year that the Town has received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose

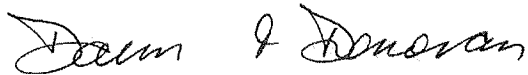
contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the employees of the Comptroller's Office, Town Assessor, Receiver of Taxes, Town Clerk, and Building Department and to our independent auditor, O'Connor Davies, LLP, who assisted in its preparation. I would also like to thank the Town Supervisor and the members of the Town Board for their continued support in the financial operations of the Town.

Respectfully submitted,

A handwritten signature in black ink, reading "Dawn T. Donovan". The signature is written in a cursive, flowing style.

Dawn T. Donovan
Town Comptroller

(This page intentionally left blank)



Government Finance Officers Association

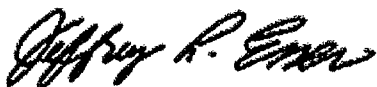
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Eastchester
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013



Executive Director/CEO

(This page intentionally left blank)

**FINANCIAL
SECTION**

(This page intentionally left blank)

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Eastchester, New York ("Town") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.odpkf.com

O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2015 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



O'Connor Davies, LLP

Harrison, New York

February 18, 2015

Town of Eastchester, New York

Management's Discussion and Analysis (MD&A) December 31, 2014

Introduction

As management of the Town of Eastchester, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2014. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

Financial Highlights

Key financial highlights for fiscal year ended 2014 are as follows:

- ❖ On the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities at the close of the most recent fiscal year by \$10,785,048. However, unrestricted net position, which is available to meet the ongoing obligations of the Town, reflects a deficit of \$4,801,831 at December 31, 2014. The unrestricted net position decreased by \$1,394,061 from the prior year. This decrease results primarily from the change in the accrual of certain operating liabilities pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 34. These include borrowings for judgments and claims, compensated absences and the required accrual of the Town's annual other postemployment benefit cost ("OPEB") in accordance with the provisions of GASB Statement No. 45. These obligations will be satisfied in future years.
- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,491,137, representing a decrease in fund balance of \$1,856,707 from the prior year. This was primarily caused by a harsher than normal winter and additional health insurance expenditures in the Town Outside Villages Fund budget as well as capital outlay expenditures in the current year from monies borrowed in a prior year.
- ❖ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,201,789 or 25.67% of total General Fund expenditures and other financing uses for 2014. This represents an increase of \$856,681 in unassigned fund balance from the previous year. This was primarily caused by higher than anticipated collections of interest and penalties on unpaid property taxes and mortgage tax collections.
- ❖ During the current fiscal year, the Town issued \$2,232,219 of bond anticipation notes for various purposes. These notes bear interest at 1.25%. The proceeds were used to finance tax certiorari judgments (\$599,719) and capital projects (\$1,632,500), including the purchase of needed equipment.
- ❖ In 2014, the Town retired \$2,072,932 of long-term bonded indebtedness. No new long-term indebtedness was issued.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

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

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

The government-wide financial statements distinguish functions of the Town that are *governmental activities* (those principally supported by taxes and revenues from other governments) and functions of the Town that are *business-type activities* (those that are intended to recover all or a significant portion of their costs through user fees and charges). The governmental activities of the Town include general government support, public safety, transportation, economic opportunity and development, culture and recreation, home and community services and interest. The business-type activities of the Town reflect the operations of the Lake Isle Recreational Facility.

The government-wide financial statements can be found on the pages immediately following this section as the first three pages of the basic financial statements.

Fund Financial Statements

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

Governmental Funds

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

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

The Town maintains eight individual governmental funds: the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Fund, Public Library Fund, Section 8 Housing Fund, Special Purpose Fund and the Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Fund and Capital Projects Fund, all of which are considered to be major funds. Data from the other three governmental funds, which are considered non-major funds, is combined into a single, aggregated presentation. Individual information on each of these non-major governmental funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

The Town adopts annual budgets for the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Fund (major funds) and Public Library Fund (non-major fund). Budgetary comparison statements have been provided for the major funds within the basic financial statements to demonstrate compliance with the respective budgets.

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

Proprietary Funds

The Town maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for the operations of its Lake Isle Recreational Facility. *Internal service funds* are used to accumulate and allocate costs internally among the Town's various functions. The Town uses internal service funds to account for its liability insurance coverage (the General Liability Claims Fund), and its self-insured workers' compensation benefits (the Workers' Compensation Benefits Fund). These services have been classified as governmental activities in the government-wide financial statements because they predominantly benefit governmental, rather than business-type, functions.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Lake Isle Recreational Facility, which is considered to be a major fund of the Town. Both internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Town programs. The Town maintains only one type of fiduciary fund that is known as an agency fund. The Town holds resources in this fund purely in a custodial

capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization, or government.

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

Notes to Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements. These include the required supplementary information for the Town's OPEB obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows of resources exceeded liabilities by \$10,785,048 at the close of 2014.

Net Position

	December 31, 2014			December 31, 2013		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Current Assets	\$ 59,418,502	\$ (1,349,138)	\$ 58,069,364	\$ 57,531,383	\$ (1,198,208)	\$ 56,333,175
Capital Assets, Net	19,691,475	5,775,528	25,467,003	19,215,107	6,126,851	25,341,958
Total Assets	79,109,977	4,426,390	83,536,367	76,746,490	4,928,643	81,675,133
Deferred Outflows of Resources	26,675	17,502	44,177	33,343	21,878	55,221
Current Liabilities	44,007,255	77,701	44,084,956	40,677,523	83,466	40,760,989
Long-Term Liabilities	28,085,866	624,674	28,710,540	28,499,549	829,653	29,329,202
Total Liabilities	72,093,121	702,375	72,795,496	69,177,072	913,119	70,090,191
Net Position						
Net Investment in Capital Assets	8,646,987	5,168,356	13,815,343	8,126,412	5,319,076	13,445,488
Restricted	1,771,536	-	1,771,536	1,602,445	-	1,602,445
Unrestricted	(3,374,992)	(1,426,839)	(4,801,831)	(2,126,096)	(1,281,674)	(3,407,770)
Total Net Position	\$ 7,043,531	\$ 3,741,517	\$ 10,785,048	\$ 7,602,761	\$ 4,037,402	\$ 11,640,163

By far, the largest component of the Town's net position is its investment in capital assets (land, land improvements, buildings and improvements, pool facilities, infrastructure, machinery and equipment and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The

Town uses these capital assets to provide services to its citizens. Consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Those assets subject to external restrictions on how they may be used are \$1,771,536. The remaining balance of unrestricted net position, which is a deficit of \$4,801,831, must be financed from future operations. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences (\$1,070,542), claims payable (\$3,388,384) and other post-employment benefit obligations (\$12,873,581) that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made. An additional portion of the deficit (\$1,297,805) results from bonds issued for previously paid judgments and claims.

Change in Net Position

	Fiscal Year Ended December 31, 2014			Fiscal Year Ended December 31, 2013		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
REVENUES						
Program Revenues						
Charges for Services	\$ 4,119,168	\$ 3,489,651	\$ 7,608,819	\$ 4,195,528	\$ 3,665,550	\$ 7,861,078
Operating Grants and Contributions	3,030,095	-	3,030,095	3,541,462	20,696	3,562,158
Capital Grants and Contributions	193	-	193	220,309	-	220,309
General Revenues						
Real Property Taxes	19,309,750	-	19,309,750	18,992,558	-	18,992,558
Other Tax Items	459,510	-	459,510	490,109	-	490,109
Non-Property Taxes	3,285,852	-	3,285,852	3,152,251	-	3,152,251
Unrestricted Use of Money and Property	13,233	103	13,336	14,050	74	14,124
Unrestricted State Aid	1,460,486	-	1,460,486	1,410,405	-	1,410,405
Donated Assets	47,907	-	47,907	68,521	-	68,521
Total Revenues	31,726,194	3,489,754	35,215,948	32,085,193	3,686,320	35,771,513
PROGRAM EXPENSES						
General Government						
Support	4,223,890	-	4,223,890	4,171,226	-	4,171,226
Public Safety	10,808,259	-	10,808,259	10,281,566	-	10,281,566
Transportation	4,742,285	-	4,742,285	4,483,782	-	4,483,782
Economic Opportunity and Development	3,518,773	-	3,518,773	3,639,256	-	3,639,256
Culture and Recreation	4,962,012	-	4,962,012	4,675,850	-	4,675,850
Home and Community Services	3,704,921	-	3,704,921	3,803,191	-	3,803,191
Interest	325,284	-	325,284	376,547	-	376,547
Lake Isle	-	3,785,639	3,785,639	-	3,663,927	3,663,927
Total Expenses	32,285,424	3,785,639	36,071,063	31,431,418	3,663,927	35,095,345
Change in Net Position	(559,230)	(295,885)	(855,115)	653,775	22,393	676,168
NET POSITION						
Beginning	7,602,761	4,037,402	11,640,163	6,948,986	4,015,009	10,963,995
Ending	\$ 7,043,531	\$ 3,741,517	\$ 10,785,048	\$ 7,602,761	\$ 4,037,402	\$ 11,640,163

Governmental Activities

For the fiscal year ended December 31, 2014, revenues from governmental activities totaled \$31,726,194. Tax revenues of \$23,055,112, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (72.7%). The \$358,999 decrease in total governmental activities revenues from the prior year is the result of a combination of the following factors:

- Operating grants and contributions decreased by \$511,367 primarily from decline in funding for Hurricane sandy storm clean up, since work was completed in prior year.
- Capital grants and contributions decreased by \$220,116 as result of the completion of the state grant funded light project in the prior year.
- Real property taxes increased by \$317,192 as the result of an increase to the tax levy.
- Unrestricted state aid increased by \$50,081 due to an increase in mortgage tax receipts.

For the fiscal year ended December 31, 2014, expenses from governmental activities totaled \$32,285,424. The largest components of governmental activities expenses are public safety \$10,808,259 (33%), culture and recreation \$4,962,012 (15%), transportation \$4,742,285 (15%), general government support \$4,223,890 (13%) and economic opportunity and development \$3,518,773 (11%). Expenses increased from the prior year by \$854,006, or 2.7%, primarily as a result of a combination of the following factors:

- General government support increased by \$52,664 as a result of an increase in tax certiorari proceedings.
- Public safety increased by \$526,693 as a result of changes in personnel.
- Culture and recreation increased by \$286,162, as a result of an increase in program participation.
- Home and community services decreased by \$98,270 as a result of lower service offerings.

Business-type Activities

Business-type activities decreased the Town's net position by \$295,885. Revenues from charges for services, which include the golf club, pool and tennis operations, were \$3,489,651. These revenues were lower than the prior year revenues of \$3,665,550 as a result of the renovations of the catering facility. The Town has kept the fee structure the same and will be making adjustments to ensure that revenues in the coming year will be sufficient to meet the expenses of operating the facility. The Town has also entered into new agreements with private operators in 2014, which should also result in lower operating costs and enhanced revenue opportunities in the future.

Financial Analysis of the Town's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Town's fiscal period ending December 31, 2011. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

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

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

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

Governmental Funds

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable resources*. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$12,491,137, a decrease of \$1,856,707 compared to last years ending balance of \$14,347,844. The nonspendable fund balance component is \$2,966,147, consisting of amounts representing prepaid expenditures, advances and long-term receivables. Fund balance of \$470,843 is restricted for trusts, debt service, and the D.A.R.E. program. The assigned fund balance classification aggregates \$7,186,520, consisting primarily of amounts utilized to balance the fiscal 2015 budget (\$1,100,000 in the General Fund, \$1,500,000 in the Town Outside Villages Fund, \$350,000 in the Highway Fund, \$295,000 in the Special Districts Fund and \$75,000 in the Public Library Fund) and amounts available to be used in the future at the Town's discretion in funds other than the General Fund (\$2,621,376 in the Town Outside Villages Fund, \$753,325 in the Highway Fund, \$249,599 in the Special Districts Fund, \$198,350 in the Public Library Fund and \$21,566 in the Section 8 Housing Fund). The remaining fund balance of \$1,867,632 is unassigned and represents the remaining positive fund balance in the General Fund of \$2,201,789 offset by the deficit of \$334,157 in the Capital Projects Fund.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,201,789 representing 45% of the total General Fund balance of \$4,868,499. This is an increase from the prior year, when the total fund balance was \$4,286,653. The property tax collection rate remained the same in 2014. Due to the ongoing losses occurring in the Lake Isle Enterprise Fund, amounts advanced by the General Fund of \$495,000 are not expected to be repaid within the next annual operating cycle and have also been reported as nonspendable fund balance. This in turn decreases the amount available to be reported as unassigned fund balance in the General Fund. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures and total fund balance to total expenditures. As a result of the above discussion, at the end of the current fiscal year, the General Fund showed a 25.7% unassigned fund balance to total expenditures and other financing uses, up from 15.8% in the prior year. Total fund balance increased to approximately 57% of that same amount, due to cost containment initiatives and slight improvements in revenues realized.

The fund balance of the General Fund increased by \$581,846 during the fiscal year ended December 31, 2014. Actual expenditures and other financing uses were \$398,880 less than the amount contained in the final budget, representing a savings of 4.5% of the total budget. Savings of \$98,581 were achieved in the general government support area in the Town Justice and Law department areas. The Town also achieved savings of \$34,677 compared to budget in the recreation and parks department. The other savings were spread over the remainder of the budget in no one particular area. Actual revenues and other financing sources exceeded the final budget by \$1,249,614, or 15.8%, of the total revenue budget. The revenue categories that reflected positive variances as compared to the budget were interest and penalties on real property taxes (\$174,510) due to the collection of delinquent property taxes from the prior year, departmental income (\$278,137) due to increases in various fees charged by the Town for recreational activities and state aid (\$553,529) due to mortgage taxes exceeding conservatively budgeted estimates.

The budget surpluses noted above (\$398,880 for expenditures and \$1,249,614 for revenues) aggregated \$1,648,494. However, the Town had intended to use \$1,066,648 of previously accumulated budget surpluses (comprised of \$1,050,000 of appropriated fund balance and \$16,648 in encumbrances from the prior year) to provide real property tax relief in developing the 2014 General Fund budget. Accordingly, the net difference of \$581,846 reflects the amount the fund balance was increased in 2014. The Town has appropriated \$1,100,000 of the fund balance to be used for real property tax relief in the 2015 fiscal year. These monies would revert back to unassigned fund balance if it were not needed for this purpose.

The **Town Outside Villages Fund's** total fund balance at the end of the fiscal year was \$5,248,200, a decrease of \$731,937 from the previous year. Increases in judgments and claims and retirement costs contributed to expenditures increasing by \$606,496 from the prior year. At the same time, revenues and other financing sources decreased by \$514,453, due to bonds issued in the prior year for tax certiorari obligations of \$485,119 with no similar amount in the current year.

The **Highway Fund's** total fund balance at the end of the current fiscal year was \$1,262,885, a decrease of \$73,867 from the previous year. A harsher winter season resulted in increases in overtime and winter weather supply costs.

The **Special Districts Fund's** total fund balance at the end of the current fiscal year was \$657,371, a decrease of \$123,483 from the previous year. This was primarily the result of an increase in the cost of repairs and maintenance to our aging equipment.

The **Capital Projects Fund** reflects a deficit fund balance of \$86,198 at the end of the current fiscal year, a decrease of \$1,445,905 from the previous year. Total revenues aggregated \$193. Capital outlay expenditures totaled \$1,446,098. These costs were primarily related to the Parks Equipment, Street Resurfacing and Sidewalks and Curb Replacement projects, funded by bonds in a prior year.

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Total net position of the Lake Isle - Enterprise Fund at year end was \$3,741,517. Net investment in capital assets was \$5,168,356. The balance, an unrestricted deficit of \$1,426,839, must be financed by future operations or a tax levy subsidy. This unrestricted deficit increased by \$145,165 from the prior year primarily due to the decrease in catering revenue due to the facility being renovated. The Town contracted out some of these services to private companies. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

There was a difference between the original and final estimated revenues and other financing sources budget for the General Fund, with the original budget at \$7,679,875 and the final budget at \$7,910,206 a difference of \$230,331. This difference is primarily attributable to an increase in the estimated budget for parks and recreation charges due to greater demand (\$219,414). The actual total revenues realized for the year ended December 31, 2014 exceeded the anticipated amount in the final budget by \$1,249,614. The largest component of this surplus was \$553,529, representing 44%, and was derived from state aid (particularly mortgage tax) exceeding the 2014 estimated amounts. Other notable surpluses in revenue accounts over the final budget were \$174,510 in other tax items, from the collections of interest and penalties and \$278,137 in departmental income, from conservative budget estimates.

Capital Assets and Debt Administration

Capital Assets

The Town's investment in capital assets for governmental and business-type activities at December 31, 2014, net of \$31,148,682 of accumulated depreciation, was \$25,467,003. This investment in capital assets includes land, land improvements, buildings and improvements, pool facilities, infrastructure, machinery and equipment and construction-in-progress.

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

Governmental Activities

- ❖ Purchase of a sanitation truck for the Highway Department – \$200,174
- ❖ Purchase of an Auxiliary vehicle – \$36,396
- ❖ Purchase of LED lights - \$17,370

Capital Assets December 31, 2014

Asset	Governmental Activities	Business-type Activities	Total
Land	\$ 3,443,327	\$ 3,465,000	\$ 6,908,327
Land improvements	1,868,628	-	1,868,628
Buildings and improvements	3,558,304	10,366,224	13,924,528
Infrastructure	16,298,078	-	16,298,078
Pool facilities	-	2,676,287	2,676,287
Machinery and equipment	8,372,082	1,486,587	9,858,669
Construction-in-progress	5,081,168	-	5,081,168
Less - accumulated depreciation	(18,930,112)	(12,218,570)	(31,148,682)
Total (net of depreciation)	\$ 19,691,475	\$ 5,775,528	\$ 25,467,003

In 2014, the Town saw a change in its capital assets. Infrastructure increased by \$1,715,523 due to the completion of street resurfacing and curb replacement projects.

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

Long-term Debt

Moody's Investors Service assigned an Aa1 credit rating on all outstanding debt of the Town.

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$11,265,002. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town. As a policy, principal and interest on debt issued by the enterprise fund must be repaid solely from revenues of that fund. Of the \$11,265,002 bonded debt outstanding at fiscal year-end, \$589,331 represented debt of the Lake Isle Enterprise Fund. The Town has budgeted for 2015 \$2,035,001 in serial bond principal to be paid within that budget period. Of this amount, \$127,283 will be paid from the Lake Isle Enterprise Fund.

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law §104, the Town must limit total outstanding long-term debt to no more than 7% of the five-year average full valuation of real property. At December 31, 2014, the Town had exhausted 2.32% of its constitutional debt limit, and had the authority to issue an additional \$493,985,785 of general obligation long-term debt.

The Town anticipates a modest capital budget for 2015. Only essential equipment will be considered to maintain the Town's long range equipment replacement plan. In addition to equipment purchases, the Town will authorize expenditures for street resurfacing and sidewalk and curb replacement. The amount has not been determined as of this date, but it is expected to be at the 2014 level.

Additional information on the Town's long-term and short-term debt can be found in Notes 3F, G and I in the notes to financial statements.

Economic Factors and Next Year's Budget

According to the New York State Department of Labor, the unemployment rate for the Town was 4.1% as of December 2014. This compares favorably with the rate of 5.7% for New York State and with the 5.6% national unemployment rate. Real estate activity, particularly home financing and refinancing have started to show slight improvement in 2014, bringing the mortgage tax aid modestly up from the previous year. Town management was also aware that in 2014 there would be more increases in employee benefits (particularly medical insurance and retirement contributions). All of these factors were taken into consideration in developing the 2015 budget.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Dawn T. Donovan, Comptroller, Town of Eastchester, 40 Mill Road, Eastchester, New York 10709.

**BASIC FINANCIAL
STATEMENTS**

(This page intentionally left blank)

Town of Eastchester, New York

Statement of Net Position

December 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 20,340,948	\$ 1,842	\$ 20,342,790
Investments	4,368,974	-	4,368,974
Receivables			
Taxes, net	30,348,780	-	30,348,780
Accounts	299,479	-	299,479
State and Federal aid	788,967	-	788,967
Due from other governments	942,041	-	942,041
Prepaid expenses	939,627	38,706	978,333
Internal balances	1,389,686	(1,389,686)	-
Capital assets			
Not being depreciated	8,524,495	3,465,000	11,989,495
Being depreciated, net	11,166,980	2,310,528	13,477,508
Total Assets	79,109,977	4,426,390	83,536,367
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding bonds	26,675	17,502	44,177
LIABILITIES			
Accounts payable	786,545	69,250	855,795
Accrued liabilities	388,570	-	388,570
Accrued interest payable	97,134	8,451	105,585
Due to other governments	40,406,478	-	40,406,478
Unearned revenues	96,309	-	96,309
Bond anticipation notes payable	2,232,219	-	2,232,219
Noncurrent liabilities			
Due within one year	2,961,907	127,283	3,089,190
Due in more than one year	25,123,959	497,391	25,621,350
Total Liabilities	72,093,121	702,375	72,795,496
NET POSITION			
Net investment in capital assets	8,646,987	5,168,356	13,815,343
Restricted for			
Capital projects	1,300,693	-	1,300,693
Debt service	247,959	-	247,959
DARE	11,158	-	11,158
Special purposes	211,726	-	211,726
Unrestricted	(3,374,992)	(1,426,839)	(4,801,831)
Total Net Position	\$ 7,043,531	\$ 3,741,517	\$ 10,785,048

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

Town of Eastchester, New York

Statement of Activities
Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 4,223,890	\$ 343,273	\$ -	\$ -
Public safety	10,808,259	1,876,108	65,329	-
Transportation	4,742,285	703,904	176,971	-
Economic opportunity and development	3,518,773	56,992	2,727,828	-
Culture and recreation	4,962,012	1,047,152	57,020	-
Home and community services	3,704,921	91,739	2,947	-
Interest	325,284	-	-	193
Total Governmental Activities	32,285,424	4,119,168	3,030,095	193
Business-type activities				
Lake Isle	3,785,639	3,489,651	-	-
Total	<u>\$ 36,071,063</u>	<u>\$ 7,608,819</u>	<u>\$ 3,030,095</u>	<u>\$ 193</u>

General revenues

Real property taxes

Other tax items

Payments in lieu of taxes

Interest and penalties on real property taxes

Non-property taxes

Franchise fees

Non-property tax distribution from County

Unrestricted use of money and property

Unrestricted State aid

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (3,880,617)	\$ -	\$ (3,880,617)
(8,866,822)	-	(8,866,822)
(3,861,410)	-	(3,861,410)
(733,953)	-	(733,953)
(3,857,840)	-	(3,857,840)
(3,610,235)	-	(3,610,235)
(325,091)	-	(325,091)
(25,135,968)	-	(25,135,968)
-	(295,988)	(295,988)
(25,135,968)	(295,988)	(25,431,956)
19,309,750	-	19,309,750
12,986	-	12,986
446,524	-	446,524
438,612	-	438,612
2,847,240	-	2,847,240
13,233	103	13,336
1,460,486	-	1,460,486
47,907	-	47,907
24,576,738	103	24,576,841
(559,230)	(295,885)	(855,115)
7,602,761	4,037,402	11,640,163
<u>\$ 7,043,531</u>	<u>\$ 3,741,517</u>	<u>\$ 10,785,048</u>

Town of Eastchester, New York

Balance Sheet
Governmental Funds
December 31, 2014

	General	Town Outside Villages	Highway
ASSETS			
Cash and equivalents	\$ 20,129,106	\$ 24,008	\$ -
Investments	684,355	-	-
Taxes receivable, net	30,348,780	-	-
Other receivables			
Accounts	36,808	198,881	15,146
State and Federal aid	-	26,846	-
Due from other governments	171,342	722,999	-
Due from other funds	1,454,513	4,263,424	1,165,281
Advances to other funds	495,000	462,000	88,000
	2,157,663	5,674,150	1,268,427
Prepaid expenditures	138,909	649,944	60,685
Total Assets	<u>\$ 53,458,813</u>	<u>\$ 6,348,102</u>	<u>\$ 1,329,112</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 497,070	\$ 52,305	\$ 62,915
Accrued liabilities	59,228	16,479	3,312
Due to other governments	40,406,478	-	-
Due to other funds	7,370,672	509,362	-
Unearned revenues	64,265	-	-
Bond anticipation notes payable	71,966	521,756	-
Total Liabilities	48,469,679	1,099,902	66,227
Deferred inflows of resources			
Deferred tax revenues	120,635	-	-
Total Liabilities and Deferred Inflows of Resources	<u>48,590,314</u>	<u>1,099,902</u>	<u>66,227</u>
Fund balances (deficits)			
Nonspendable	1,560,424	1,111,944	148,685
Restricted	-	11,158	-
Assigned	1,106,286	4,125,098	1,114,200
Unassigned	2,201,789	-	-
Total Fund Balances (Deficits)	<u>4,868,499</u>	<u>5,248,200</u>	<u>1,262,885</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 53,458,813</u>	<u>\$ 6,348,102</u>	<u>\$ 1,329,112</u>

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

Special Districts	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ 128,511	\$ 58,983	\$ 20,340,608
-	-	-	684,355
-	-	-	30,348,780
42,468	-	6,176	299,479
-	762,121	-	788,967
47,700	-	-	942,041
642,911	697,281	503,707	8,727,117
55,000	-	-	1,100,000
788,079	1,459,402	509,883	11,857,604
56,914	-	33,175	939,627
<u>\$ 844,993</u>	<u>\$ 1,587,913</u>	<u>\$ 602,041</u>	<u>\$ 64,170,974</u>

\$ 128,140	\$ 9,567	\$ 24,850	\$ 774,847
504	-	15,703	95,226
-	-	-	40,406,478
52,981	-	21,108	7,954,123
-	32,044	-	96,309
5,997	1,632,500	-	2,232,219
187,622	1,674,111	61,661	51,559,202
-	-	-	120,635
187,622	1,674,111	61,661	51,679,837
111,914	-	33,175	2,966,142
-	247,959	211,726	470,843
545,457	-	295,479	7,186,520
-	(334,157)	-	1,867,632
657,371	(86,198)	540,380	12,491,137
<u>\$ 844,993</u>	<u>\$ 1,587,913</u>	<u>\$ 602,041</u>	<u>\$ 64,170,974</u>

(This page intentionally left blank)

Town of Eastchester, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position - Governmental Activities December 31, 2014

Fund Balances - Total Governmental Funds	\$ 12,491,137
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,691,475
Governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred amounts on refunding bonds	26,675
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	120,635
Internal Service funds are used by management to charge the costs of workers' compensation and general liability claims to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(198,431)
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued liabilities	(293,344)
Accrued interest payable	(97,134)
Bonds payable	(10,736,468)
Compensated absences	(1,070,542)
Retirement incentives and other pension obligations	(16,891)
Other post employment benefit obligations payable	(12,873,581)
	(25,087,960)
Net Position of Governmental Activities	\$ 7,043,531

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

Town of Eastchester, New York

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2014

	General	Town Outside Villages	Highway
REVENUES			
Real property taxes	\$ 3,548,385	\$ 6,282,638	\$ 4,682,903
Other tax items	459,510	-	-
Non-property taxes	-	3,285,852	-
Departmental income	2,063,551	741,943	-
Intergovernmental charges	-	-	27,056
Use of money and property	119,153	13,375	6,297
Fines and forfeitures	1,153,159	-	-
State aid	1,369,760	198,550	132,118
Federal aid	113,080	-	33,810
Miscellaneous	333,222	24,237	4,505
Total Revenues	<u>9,159,820</u>	<u>10,546,595</u>	<u>4,886,689</u>
EXPENDITURES			
Current			
General government support	2,655,459	518,557	-
Public safety	413,857	6,163,232	-
Transportation	184,934	-	2,362,317
Economic opportunity and development	799,720	-	-
Culture and recreation	2,157,496	-	-
Home and community services	216,695	192,951	-
Employee benefits	1,733,190	4,195,171	1,176,634
Debt service			
Principal	341,343	176,657	1,203,915
Interest	75,280	31,964	217,690
Capital outlay	-	-	-
Total Expenditures	<u>8,577,974</u>	<u>11,278,532</u>	<u>4,960,556</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>581,846</u>	<u>(731,937)</u>	<u>(73,867)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	581,846	(731,937)	(73,867)
FUND BALANCES (DEFICITS)			
Beginning of Year	<u>4,286,653</u>	<u>5,980,137</u>	<u>1,336,752</u>
End of Year	<u>\$ 4,868,499</u>	<u>\$ 5,248,200</u>	<u>\$ 1,262,885</u>

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

Special Districts	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 3,245,783	\$ -	\$ 1,608,851	\$ 19,368,560
-	-	-	459,510
-	-	-	3,285,852
77,724	-	27,371	2,910,589
-	-	-	27,056
113,188	193	1,931	254,137
-	-	-	1,153,159
-	-	5,159	1,705,587
-	-	2,479,781	2,626,671
-	-	62,040	424,004
<u>3,436,695</u>	<u>193</u>	<u>4,185,133</u>	<u>32,215,125</u>
-	-	-	3,174,016
-	-	-	6,577,089
350,968	-	-	2,898,219
-	-	2,514,457	3,314,177
-	-	1,211,339	3,368,835
2,110,122	-	-	2,519,768
923,156	-	515,986	8,544,137
149,229	-	5,645	1,876,789
26,703	-	1,067	352,704
-	1,446,098	-	1,446,098
<u>3,560,178</u>	<u>1,446,098</u>	<u>4,248,494</u>	<u>34,071,832</u>
<u>(123,483)</u>	<u>(1,445,905)</u>	<u>(63,361)</u>	<u>(1,856,707)</u>
-	15,587	-	15,587
-	(15,587)	-	(15,587)
-	-	-	-
<u>(123,483)</u>	<u>(1,445,905)</u>	<u>(63,361)</u>	<u>(1,856,707)</u>
<u>780,854</u>	<u>1,359,707</u>	<u>603,741</u>	<u>14,347,844</u>
<u>\$ 657,371</u>	<u>\$ (86,198)</u>	<u>\$ 540,380</u>	<u>\$ 12,491,137</u>

(This page intentionally left blank)

Town of Eastchester, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2014

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (1,856,707)</u>
--	-----------------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay expenditures	1,626,670
Depreciation expense	<u>(1,150,302)</u>
	<u>476,368</u>

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

Real property taxes	<u>(58,810)</u>
---------------------	-----------------

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized on the statement of activities.

Principal paid on bonds	1,876,789
Amortization of loss on refunding bonds and issuance premium	<u>8,531</u>
	<u>1,885,320</u>

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

Accrued liabilities	(70,723)
Accrued interest	27,420
Retirement incentives and other pension obligations	15,713
Compensated absences	(24,801)
Other post employment benefit obligations	<u>(1,566,907)</u>
	<u>(1,619,298)</u>

Internal service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds are reported within governmental activities.

	<u>613,897</u>
--	----------------

Change in Net Position of Governmental Activities	<u><u>\$ (559,230)</u></u>
---	----------------------------

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

Town of Eastchester, New York

General, Town Outside Villages, Highway and Special Districts Funds
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2014

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,504,120	\$ 3,504,120	\$ 3,548,385	\$ 44,265
Other tax items	285,000	285,000	459,510	174,510
Non-property taxes	-	-	-	-
Departmental income	1,566,000	1,785,414	2,063,551	278,137
Intergovernmental charges	-	-	-	-
Use of money and property	115,924	115,924	119,153	3,229
Fines and forfeitures	1,000,000	1,000,000	1,153,159	153,159
State aid	805,314	816,231	1,369,760	553,529
Federal aid	110,517	110,517	113,080	2,563
Miscellaneous	293,000	293,000	333,222	40,222
Total Revenues	7,679,875	7,910,206	9,159,820	1,249,614
EXPENDITURES				
Current				
General government support	2,693,416	2,754,040	2,655,459	98,581
Public safety	433,125	424,022	413,857	10,165
Transportation	184,934	184,935	184,934	1
Economic opportunity and development	743,309	838,947	799,720	39,227
Culture and recreation	1,919,950	2,192,173	2,157,496	34,677
Home and community services	209,220	216,698	216,695	3
Employee benefits	2,105,945	1,949,415	1,733,190	216,225
Debt service				
Principal	341,344	341,344	341,343	1
Interest	115,280	75,280	75,280	-
Total Expenditures	8,746,523	8,976,854	8,577,974	398,880
Excess (Deficiency) of Revenues Over Expenditures	(1,066,648)	(1,066,648)	581,846	1,648,494
FUND BALANCES				
Beginning of Year	1,066,648	1,066,648	4,286,653	3,220,005
End of Year	\$ -	\$ -	\$ 4,868,499	\$ 4,868,499

Town Outside Villages Fund				Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,303,551	\$ 6,303,551	\$ 6,282,638	\$ (20,913)	\$ 4,682,903	\$ 4,682,903	\$ 4,682,903	\$ -
-	-	-	-	-	-	-	-
2,350,000	2,350,000	3,285,852	935,852	-	-	-	-
601,635	601,635	741,943	140,308	-	-	-	-
-	-	-	-	19,406	19,406	27,056	7,650
15,000	15,000	13,375	(1,625)	5,000	5,000	6,297	1,297
-	-	-	-	-	-	-	-
185,000	185,000	198,550	13,550	92,000	92,000	132,118	40,118
-	-	-	-	-	-	33,810	33,810
8,000	17,488	24,237	6,749	15,000	15,000	4,505	(10,495)
<u>9,463,186</u>	<u>9,472,674</u>	<u>10,546,595</u>	<u>1,073,921</u>	<u>4,814,309</u>	<u>4,814,309</u>	<u>4,886,689</u>	<u>72,380</u>
229,448	520,156	518,557	1,599	-	-	-	-
6,175,324	6,181,957	6,163,232	18,725	-	-	-	-
-	-	-	-	2,337,334	2,474,458	2,362,317	112,141
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
202,028	200,181	192,951	7,230	-	-	-	-
4,151,825	4,206,819	4,195,171	11,648	1,406,794	1,350,470	1,176,634	173,836
176,657	176,657	176,657	-	1,203,915	1,203,915	1,203,915	-
31,964	31,964	31,964	-	217,690	217,690	217,690	-
<u>10,967,246</u>	<u>11,317,734</u>	<u>11,278,532</u>	<u>39,202</u>	<u>5,165,733</u>	<u>5,246,533</u>	<u>4,960,556</u>	<u>285,977</u>
(1,504,060)	(1,845,060)	(731,937)	1,113,123	(351,424)	(432,224)	(73,867)	358,357
<u>1,504,060</u>	<u>1,845,060</u>	<u>5,980,137</u>	<u>4,135,077</u>	<u>351,424</u>	<u>432,224</u>	<u>1,336,752</u>	<u>904,528</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,248,200</u>	<u>\$ 5,248,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,262,885</u>	<u>\$ 1,262,885</u>

(Continued)

Town of Eastchester, New York

General, Town Outside Villages, Highway and Special Districts Funds
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2014

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,245,783	\$ 3,245,783	\$ 3,245,783	\$ -
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	72,000	72,000	77,724	5,724
Intergovernmental charges	-	-	-	-
Use of money and property	114,075	114,075	113,188	(887)
Fines and forfeitures	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>3,431,858</u>	<u>3,431,858</u>	<u>3,436,695</u>	<u>4,837</u>
EXPENDITURES				
Current				
General government support	-	-	-	-
Public safety	-	-	-	-
Transportation	339,557	339,556	350,968	(11,412)
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	2,174,980	2,180,914	2,110,122	70,792
Employee benefits	1,082,326	1,076,391	923,156	153,235
Debt service				
Principal	149,228	149,229	149,229	-
Interest	26,703	26,704	26,703	1
Total Expenditures	<u>3,772,794</u>	<u>3,772,794</u>	<u>3,560,178</u>	<u>212,616</u>
Excess (Deficiency) of Revenues Over Expenditures	(340,936)	(340,936)	(123,483)	217,453
FUND BALANCES				
Beginning of Year	<u>340,936</u>	<u>340,936</u>	<u>780,854</u>	<u>439,918</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 657,371</u>	<u>\$ 657,371</u>

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

Town of Eastchester, New York

Statement of Net Position

Proprietary Funds

December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
ASSETS		
Current assets		
Cash and equivalents	\$ 1,842	\$ 340
Investments	-	3,684,619
Due from other funds	43,735	-
Prepaid expenses	38,706	-
Total Current Assets	84,283	3,684,959
Noncurrent assets		
Capital assets		
Land	3,465,000	-
Buildings and improvements	10,366,224	-
Pool facilities	2,676,287	-
Machinery and equipment	1,486,587	-
	17,994,098	-
Less - Accumulated depreciation	(12,218,570)	-
Total Noncurrent Assets	5,775,528	-
Total Assets	5,859,811	3,684,959
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts on refunding bonds	17,502	-
LIABILITIES		
Current liabilities		
Accounts payable	69,250	11,698
Accrued interest payable	8,451	-
Due to other funds	333,421	483,308
Advances from other funds	1,100,000	-
Current maturities of bonds payable	127,283	-
Current portion of claims payable	-	930,298
Total Current Liabilities	1,638,405	1,425,304
Noncurrent liabilities		
Bonds payable, less current maturities	497,391	-
Claims payable, less current portion	-	2,458,086
Total Noncurrent Liabilities	497,391	2,458,086
Total Liabilities	2,135,796	3,883,390
NET POSITION		
Net investment in capital assets	5,168,356	-
Unrestricted	(1,426,839)	(198,431)
Total Net Position	\$ 3,741,517	\$ (198,431)

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

Town of Eastchester, New York

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
OPERATING REVENUES		
Charges for services	\$ -	\$ 1,689,000
Membership fees	2,228,631	-
Guest fees	856,574	-
Cart rentals	321,757	-
Concessions	76,480	-
Other	6,209	382,969
Total Operating Revenues	3,489,651	2,071,969
OPERATING EXPENSES		
Personal services	634,072	-
Employee benefits	97,945	819,666
Supplies	219,479	-
Utilities	268,221	-
Insurance	114,675	382,096
Contractual	1,963,544	71,267
Professional fees	12,451	-
Judgments and claims	1,160	186,207
Depreciation and amortization	452,757	-
Total Operating Expenses	3,764,304	1,459,236
Income from Operations	(274,653)	612,733
NON-OPERATING REVENUES (EXPENSES)		
Interest income	103	1,164
Interest expense	(21,335)	-
Total Non-Operating Revenues (Expenses)	(21,232)	1,164
Change in Net Position	(295,885)	613,897
NET POSITION		
Beginning of Year	4,037,402	(812,328)
End of Year	\$ 3,741,517	\$ (198,431)

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

Town of Eastchester, New York

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services and other	\$ -	\$ 2,492,133
Cash received from customers	3,519,651	-
Cash payments for goods and services	(2,461,427)	-
Cash payments to insurance carriers and claimants	-	(1,527,742)
Cash payments to employees	(732,017)	-
Net Cash from Operating Activities	326,207	964,391
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(105,894)	-
Principal paid on bonds	(196,143)	-
Interest on indebtedness	(27,853)	-
Net Cash from Capital and Related Financing Activities	(329,890)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	103	1,164
Purchase of investments	-	(3,684,619)
Sale of investments	-	2,719,064
Net Cash from Investing Activities	103	(964,391)
Net Change in Cash and Equivalents	(3,580)	-
CASH AND EQUIVALENTS		
Beginning of Year	5,422	340
End of Year	\$ 1,842	\$ 340
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (274,653)	\$ 612,733
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation and amortization	452,757	-
Changes in operating assets and liabilities		
Accounts receivable	30,000	-
Due from other funds	-	34,733
Prepaid expenses	(1,127)	-
Accounts payable	31,746	11,444
Due to other funds	18,477	403,171
Advances from other funds	100,000	-
Deposits	(30,993)	-
Claims payable	-	(97,690)
Net Cash from Operating Activities	\$ 326,207	\$ 964,391

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

Town of Eastchester, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2014

	<u>Agency</u>
ASSETS	
Accounts receivable	<u>\$ 196,026</u>
LIABILITIES	
Employee payroll deductions	\$ 5,931
Deposits	<u>190,095</u>
Total Liabilities	<u>\$ 196,026</u>

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

Note 1 - Summary of Significant Accounting Policies

The Town of Eastchester, New York ("Town") was established in 1664 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as the chief executive officer and the Town Comptroller serves as the chief financial officer. The Town provides the following services to its residents: public safety, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

A. Financial Reporting Entity

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

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

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

C. Fund Financial Statements

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

Fund Categories

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

General Fund - The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's sewer, water, refuse, lighting and parking districts. The major revenues of this fund are real property taxes, departmental income and use of money and property.

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

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

Special Revenue Funds:

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

Section 8 Housing Fund - The Section 8 Housing Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

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

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Lake Isle recreational facility are recorded as a major enterprise fund. The Town has established its Workers' Compensation Benefits and General Liability Claims funds as internal service funds. The Town applies all applicable Financial Accounting Standards Board ("FASB") guidance issued after November 30, 1989 in accounting and reporting for its enterprise operations.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

Deposits, Investments and Risk Disclosure

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

Note 1 - Summary of Significant Accounting Policies (Continued)

The Town's deposits and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the Town's policy provides for no credit risk on investments.

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

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2014.

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

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

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

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

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2014, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Advances To/From Other Funds - Advances to/from other funds represent loans to other funds, which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by nonspendable fund balance in the fund financial statements which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

<u>Class</u>	<u>Life in Years</u>
Land Improvements	5-30
Buildings and Improvements	20-40
Pool Facilities	20
Infrastructure	10-50
Machinery and Equipment	5-20

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$64,265 for parking permit fees received in advance in the General Fund and \$32,044 for grants received in advance in the Capital Projects Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The Town has reported deferred outflows of resources of \$26,675 and \$17,502 for a deferred loss on refunding bonds in the government-wide and proprietary fund Statements of Net Position, respectively. These amounts result from the difference in the carrying value of the refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Town has reported deferred inflows of resources of \$120,635 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements as current and long-term liabilities. A liability for these amounts is reported in the

Note 1 - Summary of Significant Accounting Policies (Continued)

governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

negative balances, that are not classified as nonspendable and are neither restricted nor committed.

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

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

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is February 18, 2015.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts and Public Library funds.
- i) Budgets for General, Town Outside Villages, Highway, Special Districts and Public Library funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Section 8 Housing, Special Purpose or Proprietary funds.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in the General, Town Outside Villages, Highway, Special Districts and Public Library funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Budgeted amounts are as originally adopted, or as amended by the Town Board. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

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

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

C. Fund Deficits

The Workers' Compensation Benefits Internal Service Fund reflects a deficit of \$1,531,632 at December 31, 2014. The deficit is attributable to the accrual of claims including incurred but not reported claims which will be satisfied in subsequent years. This deficit will be addressed in future periods.

The Lighting District sub-fund in the Special Districts Fund reflects a deficit of \$13,663 at December 31, 2014. The Town will address this deficit in the ensuing year.

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 2 - Stewardship, Compliance and Accountability (Continued)

D. Capital Projects Fund Deficit

The unassigned deficit in the Capital Projects Fund of \$334,157 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at December 31, 2014 consisted of the following:

Town taxes - Current	\$ 290,082
School districts taxes - Current	29,258,103
Overdue taxes	902,375
Property acquired for taxes	<u>4,299</u>
	30,454,859
Less - Allowance for uncollectible taxes	<u>(106,079)</u>
	<u>\$ 30,348,780</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2015. Town taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$120,635, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year. School and County taxes receivable of \$926,515 are reflected as nonspendable fund balance in the fund financial statements to indicate the long-term nature of an estimate of these taxes which will not be collected within the subsequent year.

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2014 were as follows:

Fund	Due From	Due To
General	\$ 1,454,513	\$ 7,370,672
Town Outside Villages	4,263,424	509,362
Highway	1,165,281	-
Special Districts	642,911	52,981
Capital Projects	697,281	-
Non-Major Governmental Funds	503,707	21,108
Lake Isle	43,735	333,421
Workers' Compensation Benefits	-	17,740
General Liability Claims	-	465,568
	<u>\$ 8,770,852</u>	<u>\$ 8,770,852</u>

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

C. Capital Assets

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

Class	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 3,443,327	\$ -	\$ -	\$ 3,443,327
Construction-in-progress	<u>5,936,342</u>	<u>139,061</u>	<u>994,235</u>	<u>5,081,168</u>
Total Capital Assets, not being Depreciated	<u>\$ 9,379,669</u>	<u>\$ 139,061</u>	<u>\$ 994,235</u>	<u>\$ 8,524,495</u>

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Capital Assets, being depreciated:				
Land improvements	\$ 1,736,686	\$ 131,942	\$ -	\$ 1,868,628
Buildings and improvements	3,545,804	12,500	-	3,558,304
Infrastructure	14,582,555	1,715,523	-	16,298,078
Machinery and equipment	7,750,203	621,879	-	8,372,082
Total Capital Assets, being Depreciated	27,615,248	2,481,844	-	30,097,092
Less Accumulated Depreciation for:				
Land improvements	1,305,345	53,299	-	1,358,644
Buildings and improvements	1,740,629	119,149	-	1,859,778
Infrastructure	8,962,838	495,444	-	9,458,282
Machinery and equipment	5,770,998	482,410	-	6,253,408
Total Accumulated Depreciation	17,779,810	1,150,302	-	18,930,112
Total Capital Assets, being Depreciated, net	\$ 9,835,438	\$ 1,331,542	\$ -	\$ 11,166,980
Governmental Activities Capital Assets, net	\$ 19,215,107	\$ 1,470,603	\$ 994,235	\$ 19,691,475
Class	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Business-Type Activities:				
Capital Assets, not being depreciated - Land	\$ 3,465,000	\$ -	\$ -	\$ 3,465,000
Capital Assets, being depreciated:				
Buildings and improvements	\$ 10,291,224	\$ 75,000	\$ -	\$ 10,366,224
Pool facilities	2,645,393	30,894	-	2,676,287
Machinery and equipment	1,486,587	-	-	1,486,587
Total Capital Assets, being Depreciated	14,423,204	105,894	-	14,529,098
Less Accumulated Depreciation for:				
Buildings and improvements	7,835,675	412,717	-	8,248,392
Pool facilities	2,526,618	18,832	-	2,545,450
Machinery and equipment	1,399,060	25,668	-	1,424,728
Total Accumulated Depreciation	11,761,353	457,217	-	12,218,570
Total Capital Assets, being Depreciated, net	\$ 2,661,851	\$ (351,323)	\$ -	\$ 2,310,528
Business-type Activities Capital Assets, net	\$ 6,126,851	\$ (351,323)	\$ -	\$ 5,775,528

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities:	
General Government Support	\$ 65,733
Public Safety	92,470
Transportation	590,659
Economic Opportunity and Development	20,531
Culture and Recreation	169,051
Home and Community Services	<u>211,858</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,150,302</u>
Business-type Activities -	
Lake Isle	<u>\$ 457,217</u>

D. Accrued Liabilities

Accrued liabilities at December 31, 2014 were as follows:

	Fund					Total
	General	Town Outside Villages	Highway	Special Districts	Section 8 Housing	
Adjustment to Next Year's Tax Levy	\$ 28,267	\$ 10,715	\$ -	\$ -	\$ -	\$ 38,982
Payroll and Employee Benefits	30,961	5,764	3,312	504	15,703	56,244
	<u>\$ 59,228</u>	<u>\$ 16,479</u>	<u>\$ 3,312</u>	<u>\$ 504</u>	<u>\$ 15,703</u>	<u>\$ 95,226</u>

E. Pension Plans

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

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

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan/Option</u>	<u>Rate</u>
ERS	2 75I	25.1 %
	3 A14	20.1
	4 A15	20.1
	5 A15	16.4
	6 A15	10.8
PFRS	2 384D	27.3
	5 384D	22.0
	6 384D	15.4

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

	<u>ERS</u>	<u>PFRS</u>
2014	\$ 1,148,064	\$ 1,350,619
2013	1,191,023	1,479,865
2012	1,381,631	956,644

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

The current ERS contribution was charged to the funds identified below. The current PFRS contribution was charged to the Town Outside Villages Fund.

<u>Fund</u>	<u>Amount</u>
General	\$ 480,416
General - Community Development	14,435
Highway	261,176
Special Districts	250,128
Public Library	141,909
	<u>\$ 1,148,064</u>

F. Short-Term Non-Capital Borrowings

The schedule below details the changes in short-term non-capital borrowings. The bond anticipation notes were issued to finance the cost of tax certiorari judgments.

<u>Type</u>	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance January 1, 2014</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance December 31, 2014</u>
Bond Anticipation Notes	07/22/14	07/22/15	1.25 %	\$ -	\$ 599,719	\$ -	\$ 599,719

Town of Eastchester, New York

Notes to Financial Statements (Continued) December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Interest expense of \$3,311 was recorded in the government-wide financial statements for governmental activities.

G. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance January 1, 2014	New Issues	Redemptions	Balance December 31, 2014
Capital Projects Fund:							
Scout Field - 2013	2014	7/22/15	1.25 %	\$ -	\$ 250,000	\$ -	\$ 250,000
Bucket Truck - 2014	2014	7/22/15	1.25	-	130,000	-	130,000
Highway Truck - 2014	2014	7/22/15	1.25	-	40,000	-	40,000
Sidewalks and Curbs - 2014	2014	7/22/15	1.25	-	100,000	-	100,000
Street Resurfacing - 2014	2014	7/22/15	1.25	-	600,000	-	600,000
Sanitation Truck - 2014	2014	7/22/15	1.25	-	201,000	-	201,000
LED Lights - 2014	2014	7/22/15	1.25	-	20,000	-	20,000
Chester Heights - 2014	2014	7/22/15	1.25	-	100,000	-	100,000
Parkway Oval - 2014	2014	7/22/15	1.25	-	40,000	-	40,000
Auxiliary Vehicle - 2014	2014	7/22/15	1.25	-	36,500	-	36,500
Town Code - 2014	2014	7/22/15	1.25	-	25,000	-	25,000
Senior Services - 2014	2014	7/22/15	1.25	-	40,000	-	40,000
Parkway Bridge Repair - 2014	2014	7/22/15	1.25	-	50,000	-	50,000
Total				<u>\$ -</u>	<u>\$ 1,632,500</u>	<u>\$ -</u>	<u>\$ 1,632,500</u>

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

Interest expense of \$9,013 was recorded in the government-wide financial statements for governmental activities.

H. Health Claim Liabilities

The government-wide financial statements reflect the liability for health benefit claims. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved.

Town of Eastchester, New York

Notes to Financial Statements (Continued) December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

An analysis of the activity of health benefit claim liabilities in the government-wide financial statements is as follows:

	December 31,	
	2014	2013
Balance - Beginning of Year	\$ 222,621	\$ 262,103
Provision for Claims and Claims Adjustment Expenses	1,611,441	1,421,258
Claims and Claims Adjustment Expenses Paid	(1,540,718)	(1,460,740)
Balance - End of Year	<u>\$ 293,344</u>	<u>\$ 222,621</u>

The liability for health claims is reflected in the government-wide financial statements as accrued liabilities.

I. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2014:

	Balance January 1, 2014	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2014	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Capital Construction	\$ 11,046,042	\$ -	\$ 1,668,176	\$ 9,377,866	\$ 1,693,429
Judgments and Claims	1,506,418	-	208,613	1,297,805	214,289
	12,552,460	-	1,876,789	10,675,671	1,907,718
Plus unamortized premium on bonds	75,996	-	15,199	60,797	-
	<u>12,628,456</u>	<u>-</u>	<u>1,891,988</u>	<u>10,736,468</u>	<u>1,907,718</u>
Other Non-current Liabilities:					
Compensated Absences	1,045,741	129,801	105,000	1,070,542	107,000
Retirement Incentives and Other Pension Obligations	32,604	-	15,713	16,891	16,891
Claims Payable	3,486,074	1,005,873	1,103,563	3,388,384	930,298
Other Post Employment Benefit Obligations Payable	11,306,674	2,875,839	1,308,932	12,873,581	-
Total Other Non-Current Liabilities	<u>15,871,093</u>	<u>4,011,513</u>	<u>2,533,208</u>	<u>17,349,398</u>	<u>1,054,189</u>
Governmental Activities Long-Term Liabilities	<u>\$ 28,499,549</u>	<u>\$ 4,011,513</u>	<u>\$ 4,425,196</u>	<u>\$ 28,085,866</u>	<u>\$ 2,961,907</u>
Business - Type Activities:					
Bonds Payable -					
Capital Construction	\$ 785,474	\$ -	\$ 196,143	\$ 589,331	\$ 127,283
Plus unamortized premium on bonds	44,179	-	8,836	35,343	-
Business - Type Activities Long-Term Liabilities	<u>\$ 829,653</u>	<u>\$ -</u>	<u>\$ 204,979</u>	<u>\$ 624,674</u>	<u>\$ 127,283</u>

Town of Eastchester, New York

Notes to Financial Statements (Continued) December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for bonds is liquidated by the respective fund. The liability for compensated absences, retirement incentives and other pension obligations, claims and other post-employment benefit obligations is liquidated by the General, Town Outside Villages, Special Districts, Public Library and Lake Isle funds.

Bonds Payable

Bonds payable at December 31, 2014 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2014
Public Improvements and Tax Certiorari	2006	\$ 4,423,604	June 2019	3.875-4.0 %	\$ 2,012,833
Improvements at Lake Isle	2006	59,700	June 2019	3.875-4.0	27,167
Public Improvements and Tax Certiorari	2008	6,511,153	May 2018	3.070	2,893,169
Improvements at Lake Isle	2008	127,904	May 2018	3.070	56,831
Refunding - Public Improvements and Tax Certiorari	2010	246,629	February 2015	4.0	10,000
Refunding - Public Improvements and Tax Certiorari	2010	1,276,133	February 2018	4.0-5.0	761,772
Refunding - Improvements at Lake Isle	2010	683,867	February 2018	4.0-5.0	408,229
Public Improvements and Tax Certiorari	2011	2,279,744	March 2020	1.625-2.375	1,564,982
Improvements at Lake Isle	2011	43,735	March 2020	1.625-2.375	30,019
Public Improvements and Tax Certiorari	2013	3,837,932	July 2022	2.000-3.0	3,432,915
Improvements at Lake Isle	2013	75,000	July 2022	2.000-3.0	67,085
					<u>\$ 11,265,002</u>

Interest expenditures/expense of \$374,039 were recorded in the fund financial statements in the following funds.

Fund	Amount
Governmental Funds:	
General	\$ 75,280
Town Outside Villages	31,964
Highway	217,690
Special Districts	26,703
Non-Major Governmental	<u>1,067</u>
	352,704
Enterprise Fund - Lake Isle	<u>21,335</u>
	<u>\$ 374,039</u>

Interest expense of \$312,960 and \$21,335 were recorded for governmental and business-type activities, respectively, in the government-wide financial statements.

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2014 including interest payments of \$1,051,565 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,907,718	\$ 298,537	\$ 127,283	\$ 21,801	\$ 2,035,001	\$ 320,338
2016	1,948,453	241,803	131,547	16,781	2,080,000	258,584
2017	1,999,187	181,855	135,813	11,068	2,135,000	192,923
2018	2,071,182	117,919	143,818	4,813	2,215,000	122,732
2019	1,140,462	70,279	19,538	1,334	1,160,000	71,613
2020-2022	1,608,669	83,740	31,332	1,635	1,640,001	85,375
	<u>\$ 10,675,671</u>	<u>\$ 994,133</u>	<u>\$ 589,331</u>	<u>\$ 57,432</u>	<u>\$ 11,265,002</u>	<u>\$ 1,051,565</u>

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

Compensated Absences

Civil services employees may accumulate up to 180 days of sick leave. Upon separation of service, except for termination for cause, employees may receive payment for fifty percent of the unused sick leave, up to a maximum of 75 days. Compensatory time may be accumulated up to a maximum of 60 hours, and is paid upon separation of service. According to collective bargaining agreements, police lieutenants, captains and rank and file have an unlimited amount of sick days, however, there is no compensation for unused sick leave upon separation of service.

Vacation time may be accumulated by police lieutenants and captains. Upon retirement, these employees are compensated for unused vacation leave to a maximum of 30 days. Civil service employees, upon separation of employment, are entitled to compensation for unused vacation leave. The compensation is based on the number of years employed. After five years, employees are fully vested. Public works employees may not accumulate vacation time.

Police captains, lieutenants and the rank and file are also eligible for compensation for terminal leave upon retirement. Employees who notify the Town of their retirement one year in advance are entitled to terminal leave of 60 days.

The value of all compensated absences has been reflected in the government-wide financial statements.

Retirement Incentives and Other Pension Obligations

In a prior year, the Town opted into Part A of the 2010 Retirement Incentive Program offered by ERS. This program provided eligible employees one month of additional service credit for each year of service up to 36 years. Participating employers were not required to eliminate vacated positions provided they could demonstrate, over a two year period, savings of at least one-half of the base salary of the retiring employee. The estimated cost of the program was to be approximately 60% of the employee's final average salary. Enactment of this provision had

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

resulted in a liability of \$78,976. Payments are being made over a five year period with interest at 7.5%. The balance due at December 31, 2014 was \$16,891. The current year expenditure of \$18,158 including interest was charged to retirement expenditures in the General Fund.

Claims Payable

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

An analysis of the activity of unpaid claim liabilities in the Internal Service Funds is as follows:

	December 31,			
	2014		2013	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 2,399,440	\$ 1,086,634	\$ 2,432,685	\$ 1,574,536
Provision for Claims and Claims Adjustment Expenses	819,666	186,207	697,874	(204,428)
Claims and Claims Adjustments Expenses Paid	(728,727)	(374,836)	(731,119)	(283,474)
Balance - End of Year	<u>\$ 2,490,379</u>	<u>\$ 898,005</u>	<u>\$ 2,399,440</u>	<u>\$ 1,086,634</u>
Current Portion	<u>\$ 585,547</u>	<u>\$ 344,751</u>	<u>\$ 536,346</u>	<u>\$ 378,802</u>

Other Post Employment Benefit Obligations

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

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

The Town's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

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

<u>Year Ended December 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>	<u>Prescription Drug</u>
2015	8.000 %	6.500 %	6.000 %
2016	7.500	6.250	5.750
2017	7.000	6.000	5.500
2018	6.500	5.750	5.375
2019	6.000	5.500	5.250
2020	5.500	5.250	5.125
2021+	5.000	5.000	5.000

The amortization basis is the level dollar method with an open amortization approach with 23 years remaining in the amortization period. The actuarial assumptions include a 4% investment rate of return and a 2.25% inflation rate. The Town currently has no assets set aside for the purpose of paying postemployment benefits. The actuarial cost method utilized was the projected unit credit method.

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of December 31, 2014 was as follows:

Active Employees	149
Retired Employees	100
	<u>249</u>

Amortization Component:	
Actuarial Accrued Liability as of January 1, 2014	\$ 37,328,417
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 37,328,417</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 12,707,402</u>
UAAL as a Percentage of Covered Payroll	<u>293.75%</u>
Annual Required Contribution	\$ 3,077,437
Interest on Net OPEB Obligation	452,268
Adjustment to Annual Required Contribution	<u>(653,866)</u>
Annual OPEB Cost	2,875,839
Contributions Made	<u>(1,308,932)</u>
Increase in Net OPEB Obligation	1,566,907
Net OPEB Obligation - Beginning of Year	<u>11,306,674</u>
Net OPEB Obligation - End of Year	<u>\$ 12,873,581</u>

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

<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 2,875,839	45.5 %	\$ 12,873,581
2013	2,789,713	41.9	11,306,674
2012	3,242,215	37.7	9,685,025

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

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

J. Significant Commitments - Encumbrances

As discussed in Note 2,A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2014, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 6,286
Town Outside Villages Fund	3,722
Highway Fund	10,875
Special Districts Fund	858
Non-Major Governmental Funds	<u>563</u>
Total	<u>\$ 22,304</u>

K. Revenues and Expenditures

Interfund Transfers

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

<u>Transfers Out</u>	<u>Transfers in Capital Projects</u>
Capital Projects	<u>\$ 15,587</u>

Transfers are used to move amounts earmarked for one capital project and repurpose them for another capital project.

L. Net Position

The components of net position are detailed below:

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

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

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

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for DARE - the component of net position that has been established pursuant to State authorization for unexpended gifts and donations which are restricted to use in the Town's drug awareness program.

Restricted for Special Purposes - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by either external parties and/or statutes.

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

Town of Eastchester, New York

Notes to Financial Statements (Continued) December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

M. Fund Balances

	2014							2013						
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental	Total
Nonspendable:														
Prepaid expenditures	\$ 138,909	\$ 649,944	\$ 60,685	\$ 56,914	\$ -	\$ 33,175	\$ 939,627	\$ 205,963	\$ 1,305,632	\$ 103,540	\$ 81,555	\$ -	\$ 53,381	\$ 1,750,071
Advances	495,000	462,000	88,000	55,000	-	-	1,100,000	450,000	420,000	80,000	50,000	-	-	1,000,000
Long-term receivables	926,515	-	-	-	-	-	926,515	1,218,934	-	-	-	-	-	1,218,934
Total Nonspendable	1,560,424	1,111,944	148,685	111,914	-	33,175	2,966,142	1,874,897	1,725,632	183,540	131,555	-	53,381	3,969,005
Restricted:														
D.A.R.E.	-	11,158	-	-	-	-	11,158	-	11,637	-	-	-	-	11,637
Debt service	-	-	-	-	247,959	-	247,959	-	-	-	-	232,179	-	232,179
Capital projects	-	-	-	-	-	-	-	-	-	-	-	1,127,528	-	1,127,528
Trusts	-	-	-	-	-	211,726	211,726	-	-	-	-	-	231,101	231,101
Total Restricted	-	11,158	-	-	247,959	211,726	470,843	-	11,637	-	-	1,359,707	231,101	1,602,445
Assigned:														
Purchases on order:														
General government support	4,484	-	-	-	-	-	4,484	14,682	-	-	-	-	-	14,682
Transportation	-	-	9,570	-	-	-	9,570	-	-	-	-	-	-	-
Employee benefits	1,802	3,722	1,305	858	-	563	8,250	1,966	4,060	1,424	936	-	614	9,000
	6,286	3,722	10,875	858	-	563	22,304	16,648	4,060	1,424	936	-	614	23,682
For subsequent year's expenditures	1,100,000	1,500,000	350,000	295,000	-	75,000	3,320,000	1,050,000	1,500,000	350,000	340,000	-	125,000	3,365,000
Major funds	-	2,621,376	753,325	249,599	-	-	3,624,300	-	2,738,808	801,788	308,363	-	-	3,848,959
Non-major funds:														
Public Library	-	-	-	-	-	198,350	198,350	-	-	-	-	-	155,563	155,563
Section 8 Housing	-	-	-	-	-	21,566	21,566	-	-	-	-	-	38,082	38,082
Total Assigned	1,106,286	4,125,098	1,114,200	545,457	-	295,479	7,186,520	1,066,648	4,242,868	1,153,212	649,299	-	319,259	7,431,286
Unassigned	2,201,789	-	-	-	(334,157)	-	1,867,632	1,345,108	-	-	-	-	-	1,345,108
Total Fund Balances	\$ 4,868,499	\$ 5,248,200	\$ 1,262,885	\$ 657,371	\$ (86,198)	\$ 540,380	\$ 12,491,137	\$ 4,286,653	\$ 5,980,137	\$ 1,336,752	\$ 780,854	\$ 1,359,707	\$ 603,741	\$ 14,347,844

Town of Eastchester, New York

Notes to Financial Statements (Continued)
December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

Prepaid Expenditures has been established to account for retirement and health insurance payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Advances have been established to indicate the long-term nature of funds advanced to the Lake Isle Enterprise Fund. The amount is classified as nonspendable to indicate that these funds do not represent "available" spendable resources even though they are a component of current assets.

Long-Term Receivables represents funds set aside to indicate the long-term nature of taxes receivable collected for other governments. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

The amount restricted for trusts has been established to set aside funds in accordance with the terms of the grants.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at December 31, 2014, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. There are numerous tort claims pending against the Town. Town management has indicated there are individual tort claims for amounts in excess of insurance coverage. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town. The Town's claims administrator has reviewed the status of pending general liability and workers' compensation actions and has determined that the amounts reflected as liabilities of the internal service funds are sufficient to satisfy any payments arising therefrom.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The Town is also defendant in various claims by taxpayers for redetermination of assessed valuation and special franchises. The settlement of such claims could result in the payment of refunds by the Town. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from such claims will be funded in the year the payment is made.

B. Risk Management

The Town is insured for general liability and workers' compensation benefits. The Town's general liability policies have a self-insured retention level of \$100,000 per claim, not to exceed an aggregate of \$450,000 for the 2014-15 policy year. Conventional insurance coverage has been secured for losses in excess of \$100,000 per claim and \$450,000 in the aggregate, to a maximum of \$3 million. The Town's workers' compensation policy has a self-insured retention level of \$500,000 for non-police and \$550,000 for police per occurrence for the 2014-15 policy year. An additional policy has been purchased for coverage above these amounts up to statutory limits. Settled claims resulting from those risks have not exceeded commercial coverage in any of the past three fiscal years. The governmental funds are charged premiums by the respective Internal Service Fund. Accrued liabilities in the Internal Service funds include provisions for claims reported and claims incurred but not reported ("IBNR's").

The Town, along with other municipal entities, participates in the Municipal Employee Benefits Consortium ("MEBCO"). MEBCO is a public entity risk pool currently operating as a common risk management and health insurance program for its members. MEBCO was formed in April 1988 pursuant to an act of the Board of Legislators of the County of Westchester. This act provided cities, towns and villages throughout Westchester County with an opportunity to participate in a cooperative program for providing health benefits to municipal employees by entering into an intermunicipal agreement pursuant to Article 5-G of the General Municipal Law of the State of New York. The purpose of the pool is to stabilize the cost of medical benefits provided to employees (see unpaid claim liabilities). MEBCO functions primarily as a claims service whereby each participating municipality retains its own risk. MEBCO does not transfer risk since charges to each municipality are ultimately determined by their individual claims/loss experience.

C. Contingencies

The Town participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

Town of Eastchester, New York

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

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2012	\$ -	\$ 37,223,508	\$ 37,223,508	- %	12,684,403	293.46 %
January 1, 2013	-	32,863,584	32,863,584	-	12,452,368	263.91
January 1, 2014	-	37,328,417	37,328,417	-	12,707,402	293.75

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

SPECIAL REVENUE FUNDS

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

- **Town Outside Villages Fund** - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town.
- **Highway Fund** - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.
- **Special Districts Fund** - The Special Districts Fund is provided to account for the operation and maintenance of the Town's sewer, water, refuse, lighting and parking districts.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, other than those financed by proprietary funds.

(This page intentionally left blank)

Town of Eastchester, New York

General Fund
Comparative Balance Sheet
December 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 20,129,106	\$ 19,123,132
Investments	684,355	427,808
Taxes receivable		
Town taxes	290,082	400,042
School districts taxes	29,258,103	28,419,523
Overdue taxes	902,375	1,151,959
Property acquired for taxes	4,299	4,299
	30,454,859	29,975,823
Allowance for uncollectible taxes	(106,079)	(95,916)
	30,348,780	29,879,907
Other receivables		
Accounts	36,808	61,394
Due from other governments	171,342	168,862
Due from other funds	1,454,513	1,010,615
Advances to other funds	495,000	450,000
	2,157,663	1,690,871
Prepaid expenditures	138,909	205,963
Total Assets	<u>\$ 53,458,813</u>	<u>\$ 51,327,681</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 497,070	\$ 400,670
Accrued liabilities	59,228	23,172
Due to other governments	40,406,478	39,179,869
Due to other funds	7,370,672	7,190,351
Unearned revenues	64,265	67,521
Bond anticipation notes payable	71,966	-
Total Liabilities	48,469,679	46,861,583
Deferred inflows of resources		
Deferred tax revenues	120,635	179,445
Total Liabilities and Deferred Inflows of Resources	48,590,314	47,041,028
Fund balance		
Nonspendable	1,560,424	1,874,897
Assigned	1,106,286	1,066,648
Unassigned	2,201,789	1,345,108
Total Fund Balance	4,868,499	4,286,653
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 53,458,813</u>	<u>\$ 51,327,681</u>

Town of Eastchester, New York

General Fund

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,504,120	\$ 3,504,120	\$ 3,548,385	\$ 44,265
Other tax items	285,000	285,000	459,510	174,510
Departmental income	1,566,000	1,785,414	2,063,551	278,137
Use of money and property	115,924	115,924	119,153	3,229
Fines and forfeitures	1,000,000	1,000,000	1,153,159	153,159
State aid	805,314	816,231	1,369,760	553,529
Federal aid	110,517	110,517	113,080	2,563
Miscellaneous	293,000	293,000	333,222	40,222
Total Revenues	7,679,875	7,910,206	9,159,820	1,249,614
EXPENDITURES				
Current				
General government support	2,693,416	2,754,040	2,655,459	98,581
Public safety	433,125	424,022	413,857	10,165
Transportation	184,934	184,935	184,934	1
Economic opportunity and development	743,309	838,947	799,720	39,227
Culture and recreation	1,919,950	2,192,173	2,157,496	34,677
Home and community services	209,220	216,698	216,695	3
Employee benefits	2,105,945	1,949,415	1,733,190	216,225
Debt service				
Principal	341,344	341,344	341,343	1
Interest	115,280	75,280	75,280	-
Total Expenditures	8,746,523	8,976,854	8,577,974	398,880
Excess (Deficiency) of Revenues over Expenditures	(1,066,648)	(1,066,648)	581,846	1,648,494
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(1,066,648)	(1,066,648)	581,846	1,648,494
FUND BALANCE				
Beginning of Year	1,066,648	1,066,648	4,286,653	3,220,005
End of Year	\$ -	\$ -	\$ 4,868,499	\$ 4,868,499

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,481,141	\$ 3,481,141	\$ 3,471,990	\$ (9,151)
275,000	275,000	490,109	215,109
1,536,000	1,761,368	2,049,469	288,101
118,847	118,847	117,897	(950)
1,000,000	1,000,000	1,122,421	122,421
805,314	805,314	1,322,317	517,003
105,461	136,461	113,970	(22,491)
275,500	284,100	271,723	(12,377)
<u>7,597,263</u>	<u>7,862,231</u>	<u>8,959,896</u>	<u>1,097,665</u>
2,661,990	2,739,174	2,620,791	118,383
426,354	436,926	416,360	20,566
182,766	184,818	184,817	1
738,495	755,550	738,354	17,196
1,876,639	2,265,117	2,210,096	55,021
289,843	293,715	290,981	2,734
2,015,900	1,845,637	1,649,458	196,179
327,864	414,695	327,864	86,831
123,177	83,177	82,510	667
<u>8,643,028</u>	<u>9,018,809</u>	<u>8,521,231</u>	<u>497,578</u>
<u>(1,045,765)</u>	<u>(1,156,578)</u>	<u>438,665</u>	<u>1,595,243</u>
-	86,831	86,831	-
<u>(33,982)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
<u>(33,982)</u>	<u>76,831</u>	<u>76,831</u>	<u>-</u>
(1,079,747)	(1,079,747)	515,496	1,595,243
<u>1,079,747</u>	<u>1,079,747</u>	<u>3,771,157</u>	<u>2,691,410</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,286,653</u>	<u>\$ 4,286,653</u>

Town of Eastchester, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
REAL PROPERTY TAXES	<u>\$ 3,504,120</u>	<u>\$ 3,504,120</u>	<u>\$ 3,548,385</u>	<u>\$ 44,265</u>	<u>\$ 3,471,990</u>
OTHER TAX ITEMS					
Payments in lieu of taxes	10,000	10,000	12,986	2,986	28,183
Interest and penalties on real property taxes	<u>275,000</u>	<u>275,000</u>	<u>446,524</u>	<u>171,524</u>	<u>461,926</u>
	<u>285,000</u>	<u>285,000</u>	<u>459,510</u>	<u>174,510</u>	<u>490,109</u>
DEPARTMENTAL INCOME					
Town Clerk fees	177,500	177,500	309,930	132,430	271,335
Nutrition participant contributions	82,000	82,000	56,992	(25,008)	78,504
Parking lot fees and on-street parking	595,000	595,000	676,848	81,848	668,814
Park and recreation charges	<u>711,500</u>	<u>930,914</u>	<u>1,019,781</u>	<u>88,867</u>	<u>1,030,816</u>
	<u>1,566,000</u>	<u>1,785,414</u>	<u>2,063,551</u>	<u>278,137</u>	<u>2,049,469</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	10,000	10,000	13,233	3,233	14,050
Rental of real property	<u>105,924</u>	<u>105,924</u>	<u>105,920</u>	<u>(4)</u>	<u>103,847</u>
	<u>115,924</u>	<u>115,924</u>	<u>119,153</u>	<u>3,229</u>	<u>117,897</u>
FINES AND FORFEITURES					
Fines and forfeited bail	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,153,159</u>	<u>153,159</u>	<u>1,122,421</u>

STATE AID

Mortgage tax	725,000	725,000	1,278,736	553,736	1,228,655
Community services - Aging	29,860	29,860	30,927	1,067	28,144
Supplemental Nutrition Assistance Program	46,454	46,454	43,130	(3,324)	40,872
Division for Youth	4,000	4,000	6,050	2,050	12,098
Miscellaneous	-	10,917	10,917	-	12,548
	<u>805,314</u>	<u>816,231</u>	<u>1,369,760</u>	<u>553,529</u>	<u>1,322,317</u>

FEDERAL AID

Title III-B	8,052	8,052	7,247	(805)	8,052
Title IIIC-1 and IIIC-2	67,254	67,254	59,098	(8,156)	69,551
Commodity funding	35,211	35,211	46,735	11,524	-
Emergency management assistance	-	-	-	-	36,367
	<u>110,517</u>	<u>110,517</u>	<u>113,080</u>	<u>2,563</u>	<u>113,970</u>

MISCELLANEOUS

Section 8 Fund reimbursement	220,000	220,000	242,565	22,565	161,202
Community fund allocation	42,000	42,000	42,750	750	42,000
Medicare Part D reimbursement	-	-	-	-	7,743
Gifts and donations	-	-	-	-	8,300
Refund of prior year's expenditures	-	-	-	-	3,453
Unclassified	31,000	31,000	47,907	16,907	49,025
	<u>293,000</u>	<u>293,000</u>	<u>333,222</u>	<u>40,222</u>	<u>271,723</u>

TOTAL REVENUES

7,679,875	7,910,206	9,159,820	1,249,614	8,959,896
-----------	-----------	-----------	-----------	-----------

OTHER FINANCING SOURCES

Bonds issued	-	-	-	-	86,831
--------------	---	---	---	---	--------

TOTAL REVENUES AND**OTHER FINANCING SOURCES**

<u>\$ 7,679,875</u>	<u>\$ 7,910,206</u>	<u>\$ 9,159,820</u>	<u>\$ 1,249,614</u>	<u>\$ 9,046,727</u>
---------------------	---------------------	---------------------	---------------------	---------------------

Town of Eastchester, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

64

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 68,524	\$ 66,699	\$ 64,037	\$ 2,662	\$ 67,211
Town Justice	459,592	476,831	475,691	1,140	418,799
Supervisor	212,021	212,021	208,086	3,935	205,868
Comptroller	231,274	231,274	218,952	12,322	248,422
Printing	61,550	44,550	39,337	5,213	49,774
Receiver of Taxes	178,444	178,862	174,601	4,261	176,261
Computer	250,716	250,716	230,929	19,787	219,935
Assessor	203,582	203,583	198,364	5,219	196,423
Town Clerk	166,068	166,068	158,030	8,038	157,480
Law	341,515	362,192	361,910	282	315,213
Elections	31,880	36,373	36,370	3	33,425
Central telephone	48,000	48,000	45,529	2,471	46,208
Special items:					
Municipal association dues	1,650	2,150	2,150	-	5,351
Interfund charges	110,000	110,000	110,000	-	110,000
Taxes on Town properties	89,500	73,640	73,639	1	76,226
Labor negotiations	70,000	70,000	40,932	29,068	49,011
C.A.P. allocation	15,852	15,852	15,852	-	15,852
E.V.A.C. utility subsidy	15,000	15,764	13,872	1,892	11,376
Judgments and claims	-	46,696	46,696	-	87,652
Unallocated insurance	118,498	118,498	118,497	1	115,350
Contractual services	5,000	9,521	9,520	1	2,529
Metropolitan commuter transportation mobility tax	14,750	14,750	12,465	2,285	12,425
	<u>2,693,416</u>	<u>2,754,040</u>	<u>2,655,459</u>	<u>98,581</u>	<u>2,620,791</u>

PUBLIC SAFETY

Traffic control	236,131	236,132	230,734	5,398	229,555
Emergency control	15,000	15,000	13,822	1,178	21,633
Parking	100,245	77,283	74,196	3,087	73,614
Greyrock commuter lot	81,749	95,607	95,105	502	91,558

	<u>433,125</u>	<u>424,022</u>	<u>413,857</u>	<u>10,165</u>	<u>416,360</u>
--	----------------	----------------	----------------	---------------	----------------

TRANSPORTATION

Superintendent of Highways	<u>184,934</u>	<u>184,935</u>	<u>184,934</u>	<u>1</u>	<u>184,817</u>
----------------------------	----------------	----------------	----------------	----------	----------------

**ECONOMIC OPPORTUNITY
AND DEVELOPMENT**

Programs for the aging	<u>743,309</u>	<u>838,947</u>	<u>799,720</u>	<u>39,227</u>	<u>738,354</u>
------------------------	----------------	----------------	----------------	---------------	----------------

CULTURE AND RECREATION

Recreation and parks	1,897,050	2,169,273	2,134,596	34,677	2,187,196
Youth services	<u>22,900</u>	<u>22,900</u>	<u>22,900</u>	<u>-</u>	<u>22,900</u>

	<u>1,919,950</u>	<u>2,192,173</u>	<u>2,157,496</u>	<u>34,677</u>	<u>2,210,096</u>
--	------------------	------------------	------------------	---------------	------------------

HOME AND COMMUNITY SERVICES

Community development	<u>209,220</u>	<u>216,698</u>	<u>216,695</u>	<u>3</u>	<u>290,981</u>
-----------------------	----------------	----------------	----------------	----------	----------------

EMPLOYEE BENEFITS

State retirement	609,000	609,000	498,574	110,426	520,815
Social security	329,591	271,591	269,892	1,699	267,157
Hospitalization, medical and dental insurance	1,004,434	920,904	816,804	104,100	718,868
Workers' compensation	147,920	147,920	147,920	-	127,840
Unemployment benefits	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,778</u>

	<u>2,105,945</u>	<u>1,949,415</u>	<u>1,733,190</u>	<u>216,225</u>	<u>1,649,458</u>
--	------------------	------------------	------------------	----------------	------------------

(Continued)

Town of Eastchester, New York

General Fund

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

Year Ended December 31, 2014

(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 341,344	\$ 341,344	\$ 341,343	\$ 1	\$ 327,864
Interest					
Serial bonds	75,280	75,280	75,280	-	80,846
Bond anticipation notes	-	-	-	-	1,664
Tax anticipation notes	40,000	-	-	-	-
	<u>115,280</u>	<u>75,280</u>	<u>75,280</u>	<u>-</u>	<u>82,510</u>
	<u>456,624</u>	<u>416,624</u>	<u>416,623</u>	<u>1</u>	<u>410,374</u>
TOTAL EXPENDITURES	8,746,523	8,976,854	8,577,974	398,880	8,521,231
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	-	-	-	-	10,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 8,746,523</u>	<u>\$ 8,976,854</u>	<u>\$ 8,577,974</u>	<u>\$ 398,880</u>	<u>\$ 8,531,231</u>

Town of Eastchester, New YorkTown Outside Villages Fund
Comparative Balance Sheet
December 31,

	2014	2013
ASSETS		
Cash and equivalents	\$ 24,008	\$ 23,865
Receivables		
Accounts	198,881	227,164
State and Federal aid	26,846	-
Due from other governments	722,999	720,250
Due from other funds	4,263,424	3,814,088
Advances to other funds	462,000	420,000
	<u>5,674,150</u>	<u>5,181,502</u>
Prepaid expenditures	<u>649,944</u>	<u>1,305,632</u>
Total Assets	<u>\$ 6,348,102</u>	<u>\$ 6,510,999</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 52,305	\$ 53,606
Accrued liabilities	16,479	9,894
Due to other funds	509,362	467,362
Bond anticipation notes payable	<u>521,756</u>	<u>-</u>
Total Liabilities	<u>1,099,902</u>	<u>530,862</u>
Fund balance		
Nonspendable	1,111,944	1,725,632
Restricted	11,158	11,637
Assigned	<u>4,125,098</u>	<u>4,242,868</u>
Total Fund Balance	<u>5,248,200</u>	<u>5,980,137</u>
Total Liabilities and Fund Balance	<u>\$ 6,348,102</u>	<u>\$ 6,510,999</u>

Town of Eastchester, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 6,303,551	\$ 6,303,551	\$ 6,282,638	\$ (20,913)
Non-property taxes	2,350,000	2,350,000	3,285,852	935,852
Departmental income	601,635	601,635	741,943	140,308
Use of money and property	15,000	15,000	13,375	(1,625)
State aid	185,000	185,000	198,550	13,550
Federal aid	-	-	-	-
Miscellaneous	8,000	17,488	24,237	6,749
Total Revenues	9,463,186	9,472,674	10,546,595	1,073,921
EXPENDITURES				
Current				
General government support	229,448	520,156	518,557	1,599
Public safety	6,175,324	6,181,957	6,163,232	18,725
Home and community services	202,028	200,181	192,951	7,230
Employee benefits	4,151,825	4,206,819	4,195,171	11,648
Debt service				
Principal	176,657	176,657	176,657	-
Interest	31,964	31,964	31,964	-
Total Expenditures	10,967,246	11,317,734	11,278,532	39,202
Deficiency of Revenues Over Expenditures	(1,504,060)	(1,845,060)	(731,937)	1,113,123
OTHER FINANCING SOURCES				
Bonds issued	-	-	-	-
Net Change in Fund Balance	(1,504,060)	(1,845,060)	(731,937)	1,113,123
FUND BALANCE				
Beginning of Year	1,504,060	1,845,060	5,980,137	4,135,077
End of Year	\$ -	\$ -	\$ 5,248,200	\$ 5,248,200

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,248,937	\$ 6,248,937	\$ 6,203,829	\$ (45,108)
2,350,000	2,350,000	3,152,251	802,251
566,648	566,648	865,986	299,338
30,000	30,000	14,182	(15,818)
185,000	192,000	205,433	13,433
-	-	113,996	113,996
7,090	9,090	20,252	11,162
9,387,675	9,396,675	10,575,929	1,179,254
230,595	571,547	551,256	20,291
5,918,948	6,133,882	6,118,876	15,006
209,140	217,153	207,168	9,985
4,208,860	3,820,016	3,561,010	259,006
290,930	690,204	205,084	485,120
29,427	29,427	28,642	785
10,887,900	11,462,229	10,672,036	790,193
(1,500,225)	(2,065,554)	(96,107)	1,969,447
-	485,119	485,119	-
(1,500,225)	(1,580,435)	389,012	1,969,447
1,500,225	1,580,435	5,591,125	4,010,690
\$ -	\$ -	\$ 5,980,137	\$ 5,980,137

Town of Eastchester, New York

Town Outside Villages Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2014
(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
REAL PROPERTY TAXES	\$ 6,303,551	\$ 6,303,551	\$ 6,282,638	\$ (20,913)	\$ 6,203,829
NON-PROPERTY TAXES					
Franchise fees	350,000	350,000	438,612	88,612	401,631
Non-property tax distribution from County	2,000,000	2,000,000	2,847,240	847,240	2,750,620
	2,350,000	2,350,000	3,285,852	935,852	3,152,251
DEPARTMENTAL INCOME					
Police fees	115,000	115,000	138,012	23,012	172,384
Safety inspection fees	475,000	475,000	584,937	109,937	673,809
Emergency tenant protection act	5,135	5,135	4,979	(156)	5,083
Zoning fees	3,500	3,500	4,535	1,035	10,510
Planning Board fees	3,000	3,000	9,480	6,480	4,200
	601,635	601,635	741,943	140,308	865,986
USE OF MONEY AND PROPERTY					
Earnings on investments	15,000	15,000	13,375	(1,625)	14,182
STATE AID					
Per capita	160,000	160,000	181,750	21,750	181,750
Public safety	25,000	25,000	16,800	(8,200)	23,683
	185,000	185,000	198,550	13,550	205,433

FEDERAL AID

Emergency management assistance

-	-	-	-	113,996
---	---	---	---	---------

MISCELLANEOUS

Donations - DARE

6,000	7,000	7,000	-	7,000
-------	-------	-------	---	-------

Medicare Part D reimbursement

-	-	4,757	4,757	6,432
---	---	-------	-------	-------

Unclassified

2,000	10,488	12,480	1,992	6,820
-------	--------	--------	-------	-------

8,000	17,488	24,237	6,749	20,252
-------	--------	--------	-------	--------

TOTAL REVENUES

9,463,186	9,472,674	10,546,595	1,073,921	10,575,929
-----------	-----------	------------	-----------	------------

OTHER FINANCING SOURCES

Bonds issued

-	-	-	-	485,119
---	---	---	---	---------

**TOTAL REVENUES AND OTHER
FINANCING SOURCES**

\$ 9,463,186	\$ 9,472,674	\$ 10,546,595	\$ 1,073,921	\$ 11,061,048
--------------	--------------	---------------	--------------	---------------

Town of Eastchester, New York

Town Outside Villages Fund
Schedule of Expenditures Compared to Budget
Year Ended December 31, 2014
(With Comparative Actuals for 2013)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
GENERAL GOVERNMENT SUPPORT					
Special items					
Judgments and claims	\$ 10,000	\$ 300,708	\$ 300,708	\$ -	\$ 331,935
Emergency tenant protection act	5,000	5,000	3,830	1,170	3,950
Unallocated insurance	194,948	194,948	194,948	-	196,095
Metropolitan commuter transportation mobility tax	19,500	19,500	19,071	429	19,276
	<u>229,448</u>	<u>520,156</u>	<u>518,557</u>	<u>1,599</u>	<u>551,256</u>
PUBLIC SAFETY					
Police	5,751,693	5,783,204	5,769,972	13,232	5,486,044
DARE	6,000	7,640	7,621	19	6,591
Animal control	11,800	11,800	11,225	575	11,625
Safety inspection	351,644	340,626	337,508	3,118	576,114
Emergency control	15,194	15,194	15,194	-	17,783
Cable television	38,993	23,493	21,712	1,781	20,719
	<u>6,175,324</u>	<u>6,181,957</u>	<u>6,163,232</u>	<u>18,725</u>	<u>6,118,876</u>
HOME AND COMMUNITY SERVICES					
Zoning Board of Appeals	76,288	76,920	74,758	2,162	79,003
Planning Board	125,740	123,261	118,193	5,068	128,165
	<u>202,028</u>	<u>200,181</u>	<u>192,951</u>	<u>7,230</u>	<u>207,168</u>

EMPLOYEE BENEFITS

State retirement	1,450,000	1,356,300	1,350,619	5,681	1,479,865
Policemen's local pension funds	1,800	1,800	1,800	-	1,800
Social security	470,000	415,000	412,765	2,235	407,427
Workers' compensation	249,615	249,615	249,615	-	215,730
Unemployment benefits	10,000	100	93	7	6,031
Health and dental insurance	1,914,060	2,126,795	2,123,071	3,724	1,400,005
Welfare plan	56,350	57,209	57,208	1	50,152
	<u>4,151,825</u>	<u>4,206,819</u>	<u>4,195,171</u>	<u>11,648</u>	<u>3,561,010</u>

DEBT SERVICE

Principal					
Serial bonds	<u>176,657</u>	<u>176,657</u>	<u>176,657</u>	<u>-</u>	<u>205,084</u>
Interest					
Serial bonds	31,964	31,964	31,964	-	24,662
Bond anticipation notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,980</u>
	<u>31,964</u>	<u>31,964</u>	<u>31,964</u>	<u>-</u>	<u>28,642</u>
	<u>208,621</u>	<u>208,621</u>	<u>208,621</u>	<u>-</u>	<u>233,726</u>
TOTAL EXPENDITURES	<u>\$ 10,967,246</u>	<u>\$ 11,317,734</u>	<u>\$ 11,278,532</u>	<u>\$ 39,202</u>	<u>\$ 10,672,036</u>

(This page intentionally left blank)

Town of Eastchester, New York

Highway Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
ASSETS		
Receivables		
Accounts	\$ 15,146	\$ 12,952
Due from other funds	1,165,281	1,277,195
Advances to other funds	<u>88,000</u>	<u>80,000</u>
	1,268,427	1,370,147
Prepaid expenditures	<u>60,685</u>	<u>103,540</u>
Total Assets	<u>\$ 1,329,112</u>	<u>\$ 1,473,687</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 62,915	\$ 132,000
Accrued liabilities	<u>3,312</u>	<u>4,935</u>
Total Liabilities	<u>66,227</u>	<u>136,935</u>
Fund balance		
Nonspendable	148,685	183,540
Assigned	<u>1,114,200</u>	<u>1,153,212</u>
Total Fund Balance	<u>1,262,885</u>	<u>1,336,752</u>
Total Liabilities and Fund Balance	<u>\$ 1,329,112</u>	<u>\$ 1,473,687</u>

Town of Eastchester, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 4,682,903	\$ 4,682,903	\$ 4,682,903	\$ -
Intergovernmental charges	19,406	19,406	27,056	7,650
Use of money and property	5,000	5,000	6,297	1,297
State aid	92,000	92,000	132,118	40,118
Federal aid	-	-	33,810	33,810
Miscellaneous	15,000	15,000	4,505	(10,495)
Total Revenues	4,814,309	4,814,309	4,886,689	72,380
EXPENDITURES				
Current				
Transportation	2,337,334	2,474,458	2,362,317	112,141
Employee benefits	1,406,794	1,350,470	1,176,634	173,836
Debt service				
Principal				
Serial bonds	1,203,915	1,203,915	1,203,915	-
Interest				
Serial bonds	217,690	217,690	217,690	-
Bond anticipation notes	-	-	-	-
	217,690	217,690	217,690	-
Total Expenditures	5,165,733	5,246,533	4,960,556	285,977
Excess (Deficiency) of Revenues Over Expenditures	(351,424)	(432,224)	(73,867)	358,357
OTHER FINANCING USES				
Transfers out	-	-	-	-
Net Change in Fund Balance	(351,424)	(432,224)	(73,867)	358,357
FUND BALANCE				
Beginning of Year	351,424	432,224	1,336,752	904,528
End of Year	\$ -	\$ -	\$ 1,262,885	\$ 1,262,885

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,680,590	\$ 4,680,590	\$ 4,680,590	\$ -
19,406	19,406	26,232	6,826
7,500	7,500	7,414	(86)
92,000	92,000	117,259	25,259
-	-	221,041	221,041
15,000	15,000	5,980	(9,020)
4,814,496	4,814,496	5,058,516	244,020
2,327,072	2,355,387	2,226,081	129,306
1,364,740	1,336,425	1,136,245	200,180
1,086,489	1,086,489	1,086,489	-
181,493	181,493	181,492	1
20,702	20,702	19,703	999
202,195	202,195	201,195	1,000
4,980,496	4,980,496	4,650,010	330,486
(166,000)	(166,000)	408,506	574,506
(184,000)	(184,000)	(90,000)	94,000
(350,000)	(350,000)	318,506	668,506
350,000	350,000	1,018,246	668,246
\$ -	\$ -	\$ 1,336,752	\$ 1,336,752

Town of Eastchester, New York

Special Districts Fund
Combining Balance Sheet - Sub-Funds
December 31, 2014
(With Comparative Totals for 2013)

	Sewer District	Water District	Refuse District
ASSETS			
Receivables			
Accounts	\$ -	\$ 35,859	\$ 6,609
Due from other governments	-	-	47,700
Due from other funds	210,619	-	378,741
Advances to other funds	-	-	55,000
	210,619	35,859	488,050
Prepaid expenditures	14,020	-	42,894
 Total Assets	 <u>\$ 224,639</u>	 <u>\$ 35,859</u>	 <u>\$ 530,944</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 3,123	\$ 702	\$ 105,163
Accrued liabilities	151	-	353
Due to other funds	-	28,001	24,980
Bond anticipation notes payable	-	-	-
 Total Liabilities	 <u>3,274</u>	 <u>28,703</u>	 <u>130,496</u>
 Fund balances (deficits)			
Nonspendable	14,020	-	97,894
Assigned	207,345	7,156	302,554
 Total Fund Balances (Deficits)	 <u>221,365</u>	 <u>7,156</u>	 <u>400,448</u>
 Total Liabilities and Fund Balances (Deficits)	 <u>\$ 224,639</u>	 <u>\$ 35,859</u>	 <u>\$ 530,944</u>

Lighting District	Parking District	Totals	
		2014	2013
\$ -	\$ -	\$ 42,468	\$ 47,143
-	-	47,700	35,713
4,180	49,371	642,911	741,958
-	-	55,000	50,000
4,180	49,371	788,079	874,814
-	-	56,914	81,555
<u>\$ 4,180</u>	<u>\$ 49,371</u>	<u>\$ 844,993</u>	<u>\$ 956,369</u>
\$ 17,843	\$ 1,309	\$ 128,140	\$ 113,626
-	-	504	609
-	-	52,981	61,280
-	5,997	5,997	-
17,843	7,306	187,622	175,515
-	-	111,914	131,555
(13,663)	42,065	545,457	649,299
(13,663)	42,065	657,371	780,854
<u>\$ 4,180</u>	<u>\$ 49,371</u>	<u>\$ 844,993</u>	<u>\$ 956,369</u>

Town of Eastchester, New York

Special Districts Fund
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances - Sub-Funds
Year Ended December 31, 2014
(With Comparative Totals for 2013)

	Sewer District	Water District	Refuse District
REVENUES			
Real property taxes	\$ 343,584	\$ 379,800	\$ 2,190,722
Departmental income	-	-	77,724
Use of money and property	734	148	112,065
Total Revenues	344,318	379,948	2,380,511
EXPENDITURES			
Current			
Transportation	-	-	-
Home and community services	210,267	375,067	1,524,788
Employee benefits	120,081	-	803,075
Debt service			
Principal			
Serial bonds	24,557	-	118,075
Interest			
Serial bonds	3,834	-	21,720
Bond anticipation notes	-	-	-
	3,834	-	21,720
Total Expenditures	358,739	375,067	2,467,658
Excess (Deficiency) of Revenues Over Expenditures	(14,421)	4,881	(87,147)
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(14,421)	4,881	(87,147)
FUND BALANCES (DEFICITS)			
Beginning of Year	235,786	2,275	487,595
End of Year	\$ 221,365	\$ 7,156	\$ 400,448

Lighting District	Parking District	Totals	
		2014	2013
\$ 233,500	\$ 98,177	\$ 3,245,783	\$ 3,194,309
-	-	77,724	73,879
122	119	113,188	113,839
233,622	98,296	3,436,695	3,382,027
263,224	87,744	350,968	346,211
-	-	2,110,122	2,126,373
-	-	923,156	858,461
-	6,597	149,229	152,662
-	1,149	26,703	21,202
-	-	-	2,198
-	1,149	26,703	23,400
263,224	95,490	3,560,178	3,507,107
(29,602)	2,806	(123,483)	(125,080)
-	-	-	7,482
-	-	-	(17,000)
-	-	-	(9,518)
(29,602)	2,806	(123,483)	(134,598)
15,939	39,259	780,854	915,452
\$ (13,663)	\$ 42,065	\$ 657,371	\$ 780,854

Town of Eastchester, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	<u>\$ 128,511</u>	<u>\$ 128,319</u>
Receivables		
State and Federal aid	762,121	840,700
Due from other funds	<u>697,281</u>	<u>694,990</u>
	<u>1,459,402</u>	<u>1,535,690</u>
 Total Assets	 <u><u>\$ 1,587,913</u></u>	 <u><u>\$ 1,664,009</u></u>
 LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 9,567	\$ 195,754
Retainage payable	-	76,504
Unearned revenues	32,044	32,044
Bond anticipation notes payable	<u>1,632,500</u>	<u>-</u>
 Total Liabilities	 <u>1,674,111</u>	 <u>304,302</u>
 Fund balance (deficit)		
Restricted	247,959	1,359,707
Unassigned	<u>(334,157)</u>	<u>-</u>
 Total Fund Balance (Deficit)	 <u>(86,198)</u>	 <u>1,359,707</u>
 Total Liabilities and Fund Balance (Deficit)	 <u><u>\$ 1,587,913</u></u>	 <u><u>\$ 1,664,009</u></u>

Town of Eastchester, New York**Capital Projects Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,**

	<u>2014</u>	<u>2013</u>
REVENUES		
Use of money and property	\$ 193	\$ 193
State aid	-	78,579
Miscellaneous	-	141,537
Total Revenues	193	220,309
EXPENDITURES		
Capital outlay	1,446,098	1,433,475
Deficiency of Revenues Over Expenditures	(1,445,905)	(1,213,166)
OTHER FINANCING SOURCES (USES)		
Bonds issued	-	3,258,500
Transfers in	15,587	118,608
Transfers out	(15,587)	(1,608)
Total Other Financing Sources	-	3,375,500
Net Change in Fund Balance	(1,445,905)	2,162,334
FUND BALANCE (DEFICIT)		
Beginning of Year	1,359,707	(802,627)
End of Year	<u>\$ (86,198)</u>	<u>\$ 1,359,707</u>

Town of Eastchester, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through December 31, 2014

Project	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Purchase of Cable TV Equipment	9234	\$ 342,000	\$ 161,309	\$ 180,691
Mill Road Revitalization/ Traffic Light - Swift Avenue and Route 22	9324/9404	5,905,000	5,105,311	799,689
Street Double Yellow Line Striping	9410	50,000	36,393	13,607
Electronic Records	9418	50,000	40,750	9,250
Parks Equipment - 2012	9423	37,500	27,186	10,314
Parking Kiosk - 2012	9424	40,000	7,719	32,281
Library Renovations - 2013	9426	30,000	26,398	3,602
Street Resurfacing - 2013	9428	800,000	796,696	3,304
Field and Park Renovations - 2013	9430	50,000	12,267	37,733
LED Lights - 2013	9432	20,000	14,805	5,195
Scout Field - 2013	9433	250,000	82,130	167,870
Bucket Truck - 2014	9434	130,000	106,908	23,092
Highway Truck - 2014	9435	40,000	40,000	-
Sidewalks and Curbs - 2014	9436	100,000	92,382	7,618
Street Resurfacing - 2014	9437	600,000	590,956	9,044
Sanitation Truck - 2014	9438	201,000	200,174	826
LED Lights - 2014	9439	20,000	17,370	2,630
Chester Heights - 2014	9440	100,000	97,242	2,758
Parkway Oval - 2014	9441	40,000	35,725	4,275
Auxiliary Vehicle - 2014	9442	36,500	36,396	104
Town Code - 2014	9443	25,000	9,800	15,200
Senior Services - 2014	9444	40,000	27,354	12,646
Parkway Bridge Repair - 2014	9445	50,000	50,000	-
Library Roof - 2014	9446	150,000	-	150,000
Leewood Park - 2014	9447	10,000	2,350	7,650
Totals		<u>\$ 9,117,000</u>	<u>\$ 7,617,621</u>	<u>\$ 1,499,379</u>

Total Revenues	Fund Balance (Deficit) at December 31, 2014	Anticipation Notes Payable at December 31, 2014
\$ 342,000	\$ 180,691	\$ -
5,863,964	758,653	-
50,000	13,607	-
50,000	9,250	-
37,500	10,314	-
40,000	32,281	-
30,000	3,602	-
800,000	3,304	-
50,000	37,733	-
20,000	5,195	-
-	(82,130)	250,000
-	(106,908)	130,000
-	(40,000)	40,000
-	(92,382)	100,000
-	(590,956)	600,000
-	(200,174)	201,000
-	(17,370)	20,000
-	(97,242)	100,000
-	(35,725)	40,000
-	(36,396)	36,500
-	(9,800)	25,000
-	(27,354)	40,000
-	(50,000)	50,000
-	-	-
-	(2,350)	-
<u>\$ 7,283,464</u>	<u>\$ (334,157)</u>	<u>\$ 1,632,500</u>

(This page intentionally left blank)

NON-MAJOR GOVERNMENTAL FUNDS

- **Public Library Fund** - The Public Library Fund is used to account for the activities of the Town's Public Library.
- **Section 8 Housing Fund** - The Section 8 Housing Fund is used to account for projects financed by entitlements from the United States Department of Housing and Urban Development.
- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

Town of Eastchester, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2014
(With Comparative Totals for 2013)

	Public Library	Section 8 Housing	Special Purpose
ASSETS			
Cash and equivalents	\$ -	\$ 32,546	\$ 26,437
Receivables			
Accounts	-	6,176	-
Due from other funds	298,723	547	204,437
	298,723	6,723	204,437
Prepaid expenditures	33,175	-	-
Total Assets	<u>\$ 331,898</u>	<u>\$ 39,269</u>	<u>\$ 230,874</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 22,850	\$ 2,000	\$ -
Accrued liabilities	-	15,703	-
Due to other funds	1,960	-	19,148
Unearned revenues	-	-	-
Total Liabilities	24,810	17,703	19,148
Fund balances			
Nonspendable	33,175	-	-
Restricted	-	-	211,726
Assigned	273,913	21,566	-
Total Fund Balances	307,088	21,566	211,726
Total Liabilities and Fund Balances	<u>\$ 331,898</u>	<u>\$ 39,269</u>	<u>\$ 230,874</u>

Total Non-Major Governmental Funds	
2014	2013
\$ 58,983	\$ 85,630
6,176	7,860
503,707	507,690
509,883	515,550
33,175	53,381
\$ 602,041	\$ 654,561
\$ 24,850	\$ 7,876
15,703	27,570
21,108	10,930
-	4,444
61,661	50,820
33,175	53,381
211,726	231,101
295,479	319,259
540,380	603,741
\$ 602,041	\$ 654,561

Town of Eastchester, New York

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2014
(With Comparative Totals for 2013)

	Public Library	Section 8 Housing	Special Purpose
REVENUES			
Real property taxes	\$ 1,608,851	\$ -	\$ -
Departmental income	27,371	-	-
Use of money and property	1,527	117	287
State aid	5,159	-	-
Federal aid	-	2,479,781	-
Miscellaneous	1,349	18,043	42,648
Total Revenues	<u>1,644,257</u>	<u>2,497,941</u>	<u>42,935</u>
EXPENDITURES			
Current			
Economic opportunity and development	-	2,514,457	-
Culture and recreation	1,149,029	-	62,310
Employee benefits	515,986	-	-
Debt service			
Principal	5,645	-	-
Interest	1,067	-	-
Total Expenditures	<u>1,671,727</u>	<u>2,514,457</u>	<u>62,310</u>
Deficiency of Revenues Over Expenditures	(27,470)	(16,516)	(19,375)
FUND BALANCES			
Beginning of Year	<u>334,558</u>	<u>38,082</u>	<u>231,101</u>
End of Year	<u>\$ 307,088</u>	<u>\$ 21,566</u>	<u>\$ 211,726</u>

Total Non-Major Governmental Funds	
2014	2013
\$ 1,608,851	\$ 1,441,840
27,371	29,729
1,931	1,675
5,159	5,178
2,479,781	2,714,922
62,040	42,409
<u>4,185,133</u>	<u>4,235,753</u>
2,514,457	2,707,528
1,211,339	1,118,292
515,986	474,269
5,645	2,429
1,067	370
<u>4,248,494</u>	<u>4,302,888</u>
(63,361)	(67,135)
<u>603,741</u>	<u>670,876</u>
<u>\$ 540,380</u>	<u>\$ 603,741</u>

(This page intentionally left blank)

Town of Eastchester, New York

Public Library Fund
Comparative Balance Sheet
December 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Due from other funds	\$ 298,723	\$ 290,895
Prepaid expenditures	<u>33,175</u>	<u>53,381</u>
Total Assets	<u><u>\$ 331,898</u></u>	<u><u>\$ 344,276</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 22,850	\$ 7,758
Due to other funds	<u>1,960</u>	<u>1,960</u>
Total Liabilities	<u>24,810</u>	<u>9,718</u>
Fund balance		
Nonspendable	33,175	53,381
Assigned	<u>273,913</u>	<u>281,177</u>
Total Fund Balance	<u>307,088</u>	<u>334,558</u>
Total Liabilities and Fund Balance	<u><u>\$ 331,898</u></u>	<u><u>\$ 344,276</u></u>

Town of Eastchester, New York

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

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 1,608,851	\$ 1,608,851	\$ 1,608,851	\$ -
Departmental income	25,000	25,000	27,371	2,371
Use of money and property	3,000	3,000	1,527	(1,473)
State aid	4,000	4,000	5,159	1,159
Miscellaneous	2,000	2,000	1,349	(651)
Total Revenues	1,642,851	1,642,851	1,644,257	1,406
EXPENDITURES				
Current				
Culture and recreation	1,170,159	1,177,656	1,149,029	28,627
Employee benefits	591,594	584,097	515,986	68,111
Debt service				
Serial bonds				
Principal	5,645	5,645	5,645	-
Interest	1,067	1,067	1,067	-
Total Expenditures	1,768,465	1,768,465	1,671,727	96,738
Deficiency of Revenues Over Expenditures	(125,614)	(125,614)	(27,470)	98,144
FUND BALANCE				
Beginning of Year	125,614	125,614	334,558	208,944
End of Year	\$ -	\$ -	\$ 307,088	\$ 307,088

2013			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,441,840	\$ 1,441,840	\$ 1,441,840	\$ -
25,000	25,000	29,729	4,729
3,000	3,000	1,574	(1,426)
4,000	4,000	5,178	1,178
9,500	9,500	4,502	(4,998)
<u>1,483,340</u>	<u>1,483,340</u>	<u>1,482,823</u>	<u>(517)</u>
1,155,980	1,155,980	1,097,195	58,785
599,561	599,561	474,269	125,292
2,429	2,429	2,429	-
370	370	370	-
<u>1,758,340</u>	<u>1,758,340</u>	<u>1,574,263</u>	<u>184,077</u>
(275,000)	(275,000)	(91,440)	183,560
<u>275,000</u>	<u>275,000</u>	<u>425,998</u>	<u>150,998</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 334,558</u>	<u>\$ 334,558</u>

Town of Eastchester, New York

Section 8 Housing Fund
Comparative Balance Sheet
December 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	<u>\$ 32,546</u>	<u>\$ 61,807</u>
Receivables		
Accounts	6,176	7,860
Due from other funds	<u>547</u>	<u>547</u>
	<u>6,723</u>	<u>8,407</u>
Total Assets	<u><u>\$ 39,269</u></u>	<u><u>\$ 70,214</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,000	\$ 118
Accrued liabilities	15,703	27,570
Unearned revenues	<u>-</u>	<u>4,444</u>
Total Liabilities	17,703	32,132
Fund balance		
Assigned	<u>21,566</u>	<u>38,082</u>
Total Liabilities and Fund Balance	<u><u>\$ 39,269</u></u>	<u><u>\$ 70,214</u></u>

Town of Eastchester, New York

Section 8 Housing Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
REVENUES		
Use of money and property	\$ 117	\$ 45
Federal aid	2,479,781	2,714,922
Miscellaneous	<u>18,043</u>	<u>11,118</u>
Total Revenues	2,497,941	2,726,085
EXPENDITURES		
Current		
Economic opportunity and development	<u>2,514,457</u>	<u>2,707,528</u>
Excess (Deficiency) of Revenues Over Expenditures	(16,516)	18,557
FUND BALANCE		
Beginning of Year	<u>38,082</u>	<u>19,525</u>
End of Year	<u>\$ 21,566</u>	<u>\$ 38,082</u>

Town of Eastchester, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	\$ 26,437	\$ 23,823
Due from other funds	<u>204,437</u>	<u>216,248</u>
Total Assets	<u><u>\$ 230,874</u></u>	<u><u>\$ 240,071</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	\$ 19,148	\$ 8,970
Fund balance		
Restricted	<u>211,726</u>	<u>231,101</u>
Total Liabilities and Fund Balance	<u><u>\$ 230,874</u></u>	<u><u>\$ 240,071</u></u>

Town of Eastchester, New York

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

	<u>2014</u>	<u>2013</u>
REVENUES		
Use of money and property	\$ 287	\$ 56
Miscellaneous	<u>42,648</u>	<u>26,789</u>
Total Revenues	42,935	26,845
EXPENDITURES		
Current		
Culture and recreation	<u>62,310</u>	<u>21,097</u>
Excess (Deficiency) of Revenues Over Expenditures	(19,375)	5,748
FUND BALANCE		
Beginning of Year	<u>231,101</u>	<u>225,353</u>
End of Year	<u>\$ 211,726</u>	<u>\$ 231,101</u>

(This page intentionally left blank)

ENTERPRISE FUND

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. The operations of the Lake Isle recreational facility are recorded as a major enterprise fund.

(This page intentionally left blank)

Town of Eastchester, New YorkEnterprise Fund - Lake Isle
Comparative Statement of Net Position
December 31,

	2014	2013
ASSETS		
Current assets		
Cash and equivalents	\$ 1,842	\$ 5,422
Receivables		
Accounts	-	30,000
Due from other funds	43,735	43,735
	43,735	73,735
Prepaid expenses	38,706	37,579
Total Current Assets	84,283	116,736
Capital assets		
Land	3,465,000	3,465,000
Buildings and improvements	10,366,224	10,291,224
Pool facilities	2,676,287	2,645,393
Machinery and equipment	1,486,587	1,486,587
	17,994,098	17,888,204
Less - Accumulated depreciation	(12,218,570)	(11,761,353)
Total Capital Assets, net of accumulated depreciation	5,775,528	6,126,851
Total Assets	5,859,811	6,243,587
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts on refunding bonds	17,502	21,878
LIABILITIES		
Current liabilities		
Accounts payable	69,250	37,504
Accrued interest payable	8,451	14,969
Due to other funds	333,421	314,944
Advances from other funds	1,100,000	1,000,000
Deposits	-	30,993
Current maturities of bonds payable	127,283	196,143
Total Current Liabilities	1,638,405	1,594,553
Noncurrent liabilities		
Bonds payable, less current maturities	497,391	633,510
Total Liabilities	2,135,796	2,228,063
NET POSITION		
Net investment in capital assets	5,168,356	5,319,076
Unrestricted	(1,426,839)	(1,281,674)
Total Net Position	\$ 3,741,517	\$ 4,037,402

Town of Eastchester, New York**Enterprise Fund - Lake Isle
Comparative Statement of Revenues, Expenses and
Changes In Net Position
Years Ended December 31,**

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Membership fees	\$ 2,228,631	\$ 2,392,897
Guest fees	856,574	579,158
Cart rentals	321,757	347,957
Concessions	76,480	275,004
Federal aid	-	20,696
Other	6,209	70,534
	<u>3,489,651</u>	<u>3,686,246</u>
OPERATING EXPENSES		
Personal services	634,072	560,037
Employee benefits	97,945	113,276
Supplies	219,479	231,775
Utilities	268,221	210,396
Insurance	114,675	128,269
Contractual	1,963,544	1,899,374
Professional fees	12,451	10,368
Judgments and claims	1,160	1,939
Depreciation and amortization	452,757	472,847
	<u>3,764,304</u>	<u>3,628,281</u>
Income (Loss) from Operations	<u>(274,653)</u>	<u>57,965</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	103	74
Interest expense	(21,335)	(35,646)
	<u>(21,232)</u>	<u>(35,572)</u>
Change in Net Position	(295,885)	22,393
NET POSITION		
Beginning of Year	<u>4,037,402</u>	<u>4,015,009</u>
End of Year	<u>\$ 3,741,517</u>	<u>\$ 4,037,402</u>

Town of Eastchester, New York

Enterprise Fund - Lake Isle
Comparative Statement of Cash Flows
Years Ended December 31,

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 3,519,651	\$ 3,716,786
Cash payments for goods and services	(2,461,427)	(2,852,972)
Cash payments to employees	(732,017)	(673,313)
Net Cash from Operating Activities	326,207	190,501
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(105,894)	-
Principal paid on bonds	(196,143)	(235,472)
Bonds issued	-	75,000
Interest on indebtedness	(27,853)	(33,216)
Net Cash from Capital and Related Financing Activities	(329,890)	(193,688)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	103	74
Net Change in Cash and Equivalents	(3,580)	(3,113)
CASH AND EQUIVALENTS		
Beginning of Year	5,422	8,535
End of Year	\$ 1,842	\$ 5,422
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (274,653)	\$ 57,965
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation and amortization	452,757	472,847
Changes in assets and liabilities		
Accounts receivable	30,000	30,540
Prepaid expenses	(1,127)	(37,579)
Accounts payable	31,746	13,702
Due to other funds	18,477	(145,550)
Advances from other funds	100,000	(200,000)
Deposits	(30,993)	(1,424)
Net Cash from Operating Activities	\$ 326,207	\$ 190,501

(This page intentionally left blank)

INTERNAL SERVICE FUNDS

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town's internal service funds are as follows:

Workers' Compensation Benefits Fund - This fund has been established to account for the Town's workers' compensation benefits. This program is self-insured by the Town.

General Liability Claims Fund - This fund has been established to account for the Town's general liability claims. This program is self-insured by the Town.

Town of Eastchester, New York

Internal Service Funds
Combining Statement of Net Position
December 31, 2014
(With Comparative Totals for 2013)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2014	2013
ASSETS				
Cash and equivalents	\$ 340	\$ -	\$ 340	\$ 340
Investments	984,873	2,699,746	3,684,619	2,719,064
Due from other funds	-	-	-	34,733
Total Assets	985,213	2,699,746	3,684,959	2,754,137
LIABILITIES				
Current liabilities				
Accounts payable	8,726	2,972	11,698	254
Due to other funds	17,740	465,568	483,308	80,137
Current portion of claims payable	585,547	344,751	930,298	915,148
Total Current Liabilities	612,013	813,291	1,425,304	995,539
Noncurrent liabilities				
Claims payable, less current portion	1,904,832	553,254	2,458,086	2,570,926
Total Liabilities	2,516,845	1,366,545	3,883,390	3,566,465
NET POSITION				
Unrestricted	<u>\$ (1,531,632)</u>	<u>\$ 1,333,201</u>	<u>\$ (198,431)</u>	<u>\$ (812,328)</u>

Town of Eastchester, New York

Internal Service Funds
Combining Statement of Revenues, Expenses and
Changes In Net Position
Year Ended December 31, 2014
(With Comparative Totals for 2013)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2014	2013
OPERATING REVENUES				
Charges for services	\$ 924,500	\$ 764,500	\$ 1,689,000	\$ 1,568,000
Other	168,770	214,199	382,969	254,126
Total Operating Revenues	1,093,270	978,699	2,071,969	1,822,126
OPERATING EXPENSES				
Employee benefits	819,666	-	819,666	697,874
Insurance	163,978	218,118	382,096	370,066
Contractual	61,619	9,648	71,267	186,131
Judgments and claims	-	186,207	186,207	(204,428)
Total Operating Expenses	1,045,263	413,973	1,459,236	1,049,643
Income from Operations	48,007	564,726	612,733	772,483
NON-OPERATING REVENUES				
Interest income	327	837	1,164	705
Change in Net Position	48,334	565,563	613,897	773,188
NET POSITION				
Beginning of Year	(1,579,966)	767,638	(812,328)	(1,585,516)
End of Year	\$ (1,531,632)	\$ 1,333,201	\$ (198,431)	\$ (812,328)

Town of Eastchester, New York

Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2014
(With Comparative Totals for 2013)

	Workers' Compensation Benefits	General Liability Claims
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services and other	\$ 1,128,003	\$ 1,364,130
Cash payments to insurance carriers and claimants	(928,112)	(599,630)
Net Cash from Operating Activities	199,891	764,500
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	327	837
Purchase of investments	(984,873)	(2,699,746)
Sale of investments	784,655	1,934,409
Net Cash from Investing Activities	(199,891)	(764,500)
Net Change in Cash and Equivalents	-	-
CASH AND EQUIVALENTS		
Beginning of Year	340	-
End of Year	\$ 340	\$ -
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 48,007	\$ 564,726
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	34,733	-
Accounts payable	8,472	2,972
Due to other funds	17,740	385,431
Claims payable	90,939	(188,629)
Net Cash from Operating Activities	\$ 199,891	\$ 764,500

Totals	
2014	2013
\$ 2,492,133	\$ 1,774,003
(1,527,742)	(1,572,894)
964,391	201,109
1,164	705
(3,684,619)	(2,719,064)
2,719,064	2,517,310
(964,391)	(201,049)
-	60
340	280
\$ 340	\$ 340
\$ 612,733	\$ 772,483
34,733	(32,657)
11,444	(2,104)
403,171	(15,466)
(97,690)	(521,147)
\$ 964,391	\$ 201,109

Town of Eastchester, New York

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

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and equivalents	\$ 340	\$ 340
Investments	984,873	784,655
Due from other funds	<u>-</u>	<u>34,733</u>
Total Assets	<u>985,213</u>	<u>819,728</u>
LIABILITIES		
Current liabilities		
Accounts payable	8,726	254
Due to other funds	17,740	-
Current portion of claims payable	<u>585,547</u>	<u>536,346</u>
Total Current Liabilities	612,013	536,600
Noncurrent liabilities		
Claims payable, less current portion	<u>1,904,832</u>	<u>1,863,094</u>
Total Liabilities	<u>2,516,845</u>	<u>2,399,694</u>
NET POSITION		
Unrestricted	<u>\$ (1,531,632)</u>	<u>\$ (1,579,966)</u>

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

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Charges for services	\$ 924,500	\$ 799,000
Other	<u>168,770</u>	<u>211,141</u>
Total Operating Revenues	<u>1,093,270</u>	<u>1,010,141</u>
OPERATING EXPENSES		
Employee benefits	819,666	697,874
Insurance	163,978	154,736
Contractual	<u>61,619</u>	<u>176,696</u>
Total Operating Expenses	<u>1,045,263</u>	<u>1,029,306</u>
Income (Loss) from Operations	48,007	(19,165)
NON-OPERATING REVENUES		
Interest income	<u>327</u>	<u>345</u>
Change in Net Position	48,334	(18,820)
NET POSITION		
Beginning of Year	<u>(1,579,966)</u>	<u>(1,561,146)</u>
End of Year	<u><u>\$ (1,531,632)</u></u>	<u><u>\$ (1,579,966)</u></u>

Town of Eastchester, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services and other	\$ 1,128,003	\$ 977,484
Cash payments to insurance carriers and claimants	(928,112)	(1,062,297)
Net Cash from Operating Activities	199,891	(84,813)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	327	345
Purchase of investments	(984,873)	(784,655)
Sale of investments	784,655	869,183
Net Cash from Investing Activities	(199,891)	84,873
Net Change in Cash and Equivalents	-	60
CASH AND EQUIVALENTS		
Beginning of Year	340	280
End of Year	\$ 340	\$ 340
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ 48,007	\$ (19,165)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	34,733	(32,657)
Accounts payable	8,472	254
Due to other funds	17,740	-
Claims payable	90,939	(33,245)
Net Cash from Operating Activities	\$ 199,891	\$ (84,813)

Town of Eastchester, New York

Internal Service Fund - General Liability Claims Fund
Comparative Statement of Net Position
December 31,

	<u>2014</u>	<u>2013</u>
ASSETS		
Investments	<u>\$ 2,699,746</u>	<u>\$ 1,934,409</u>
LIABILITIES		
Current liabilities		
Accounts payable	2,972	-
Due to other funds	465,568	80,137
Current portion of claims payable	<u>344,751</u>	<u>378,802</u>
Total Current Liabilities	813,291	458,939
Noncurrent liabilities		
Claims payable, less current portion	<u>553,254</u>	<u>707,832</u>
Total Liabilities	<u>1,366,545</u>	<u>1,166,771</u>
NET POSITION		
Unrestricted	<u>\$ 1,333,201</u>	<u>\$ 767,638</u>

Town of Eastchester, New York**Internal Service Fund - General Liability Claims Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,**

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Charges for services	\$ 764,500	\$ 769,000
Other	<u>214,199</u>	<u>42,985</u>
Total Operating Revenues	<u>978,699</u>	<u>811,985</u>
OPERATING EXPENSES		
Insurance	218,118	215,330
Contractual	9,648	9,435
Judgments and claims	<u>186,207</u>	<u>(204,428)</u>
Total Operating Expenses	<u>413,973</u>	<u>20,337</u>
Income from Operations	564,726	791,648
NON-OPERATING REVENUES		
Interest income	<u>837</u>	<u>360</u>
Change in Net Position	565,563	792,008
NET POSITION		
Beginning of Year	<u>767,638</u>	<u>(24,370)</u>
End of Year	<u>\$ 1,333,201</u>	<u>\$ 767,638</u>

Town of Eastchester, New York

Internal Service Fund - General Liability Claims Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services and other	\$ 1,364,130	\$ 796,519
Cash payments to insurance carriers and claimants	<u>(599,630)</u>	<u>(510,597)</u>
Net Cash from Operating Activities	<u>764,500</u>	<u>285,922</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	837	360
Purchase of investments	(2,699,746)	(1,934,409)
Sale of investments	<u>1,934,409</u>	<u>1,648,127</u>
Net Cash from Investing Activities	<u>(764,500)</u>	<u>(285,922)</u>
Net Change in Cash and Equivalents	-	-
CASH AND EQUIVALENTS		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 564,726	\$ 791,648
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts payable	2,972	(2,358)
Due to other funds	385,431	(15,466)
Claims payable	<u>(188,629)</u>	<u>(487,902)</u>
Net Cash from Operating Activities	<u>\$ 764,500</u>	<u>\$ 285,922</u>

Town of Eastchester, New York

Fiduciary Funds - Agency Fund
Statement of Changes in Assets and Liabilities
Year Ended December 31, 2014

	Balance January 1, 2014	Increases	Decreases	Balance December 31, 2014
ASSETS				
Cash and equivalents	\$ -	\$ 18,257,126	\$ 18,257,126	\$ -
Accounts receivable	198,367	3,960,884	3,963,225	196,026
Total Assets	<u>\$ 198,367</u>	<u>\$ 22,218,010</u>	<u>\$ 22,220,351</u>	<u>\$ 196,026</u>
LIABILITIES				
Net payroll	\$ -	\$ 13,368,935	\$ 13,368,935	\$ -
Employee payroll deductions	3,355	4,644,423	4,641,847	5,931
Deposits	195,012	121,902	126,819	190,095
Total Liabilities	<u>\$ 198,367</u>	<u>\$ 18,135,260</u>	<u>\$ 18,137,601</u>	<u>\$ 196,026</u>

**STATISTICAL SECTION
(UNAUDITED)**

(This page intentionally left blank)

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

Town of Eastchester, New York

Net Position By Component Last Ten Fiscal Years

	2005	2006	2007	2008
Governmental Activities				
Net investment in capital assets	\$ 2,261,190	\$ 2,830,477	\$ 3,704,104	\$ 3,301,234
Restricted	3,050,579	4,203,198	4,995,879	5,599,866
Unrestricted	3,918,960	3,903,082	3,945,685	2,200,864
Total Governmental Activities				
Net Position	<u>\$ 9,230,729</u>	<u>\$ 10,936,757</u>	<u>\$ 12,645,668</u>	<u>\$ 11,101,964</u>
Business-Type Activities				
Net investment in capital assets	\$ 4,909,569	\$ 4,989,165	\$ 5,100,435	\$ 5,263,392
Unrestricted	(643,106)	(568,811)	(242,854)	(264,886)
Total Business-Type Activities				
Net Position	<u>\$ 4,266,463</u>	<u>\$ 4,420,354</u>	<u>\$ 4,857,581</u>	<u>\$ 4,998,506</u>
Primary Government				
Net investment in capital assets	\$ 7,170,759	\$ 7,819,642	\$ 8,804,539	\$ 8,564,626
Restricted	3,050,579	4,203,198	4,995,879	5,599,866
Unrestricted	3,275,854	3,334,271	3,702,831	1,935,978
Total Primary Government				
Net Position	<u>\$ 13,497,192</u>	<u>\$ 15,357,111</u>	<u>\$ 17,503,249</u>	<u>\$ 16,100,470</u>

2009	2010	2011	2012	2013	2014
\$ 4,309,722	\$ 5,499,075	\$ 7,084,425	\$ 7,406,444	\$ 8,126,412	\$ 8,646,987
5,675,638	3,488,809	2,163,286	1,723,110	1,602,445	1,771,536
818,194	88,658	(1,438,374)	(2,180,568)	(2,126,096)	(3,374,992)
<u>\$ 10,803,554</u>	<u>\$ 9,076,542</u>	<u>\$ 7,809,337</u>	<u>\$ 6,948,986</u>	<u>\$ 7,602,761</u>	<u>\$ 7,043,531</u>
\$ 5,420,819	\$ 5,587,804	\$ 5,839,926	5,631,451	5,319,076	5,168,356
(526,796)	(1,154,850)	(1,860,490)	(1,616,442)	(1,281,674)	(1,426,839)
<u>\$ 4,894,023</u>	<u>\$ 4,432,954</u>	<u>\$ 3,979,436</u>	<u>\$ 4,015,009</u>	<u>\$ 4,037,402</u>	<u>\$ 3,741,517</u>
\$ 9,730,541	\$ 11,086,879	\$ 12,924,351	\$ 13,037,895	\$ 13,445,488	\$ 13,815,343
5,675,638	3,488,809	2,163,286	1,723,110	1,602,445	1,771,536
291,398	(1,066,192)	(3,298,864)	(3,797,010)	(3,407,770)	(4,801,831)
<u>\$ 15,697,577</u>	<u>\$ 13,509,496</u>	<u>\$ 11,788,773</u>	<u>\$ 10,963,995</u>	<u>\$ 11,640,163</u>	<u>\$ 10,785,048</u>

Town of Eastchester, New York

Changes in Net Position
Last Ten Fiscal Years

	2005	2006	2007	2008
Expenses				
Governmental Activities				
General government support	\$ 3,692,277	\$ 3,316,955	\$ 4,122,417	\$ 3,875,186
Public safety	7,815,566	8,120,582	8,641,161	9,580,373
Transportation	4,571,433	4,279,066	4,603,950	5,065,776
Economic opportunity and development	3,052,324	3,121,022	3,066,884	3,406,582
Culture and recreation	3,563,763	3,773,051	4,448,614	4,673,941
Home and community services	2,255,364	2,536,574	2,874,170	3,117,667
Interest	323,378	425,309	400,914	480,313
Total Governmental Activities Expenses	25,274,105	25,572,559	28,158,110	30,199,838
Business-type Activities				
Lake Isle	3,927,681	3,950,872	3,799,054	4,006,273
Total Primary Government Expenses	<u>\$ 29,201,786</u>	<u>\$ 29,523,431</u>	<u>\$ 31,957,164</u>	<u>\$ 34,206,111</u>
Program Revenues				
Governmental Activities				
Charges for Services				
General government support	188,441	272,758	345,780	306,074
Public safety	1,470,297	1,438,081	1,980,907	1,746,267
Transportation	543,942	565,642	566,182	553,458
Economic opportunity and development	77,439	89,497	88,431	88,645
Culture and recreation	538,591	657,048	734,917	794,383
Home and community services	52,452	75,070	80,046	93,678
Operating Grants and Contributions	3,540,505	3,345,085	3,621,819	3,369,307
Capital Grants and Contributions	76,032	316,480	847,742	715,263
Total Governmental Activities Program Revenues	6,487,699	6,759,661	8,265,824	7,667,075
Business-type Activities				
Lake Isle				
Charges for Services	3,929,030	4,081,912	4,202,110	4,135,369
Operating Grants and Contributions	-	-	-	-
Total Business-type Activities Program Revenues	3,929,030	4,081,912	4,202,110	4,135,369
Total Primary Government Program Revenues	<u>\$ 10,416,729</u>	<u>\$ 10,841,573</u>	<u>\$ 12,467,934</u>	<u>\$ 11,802,444</u>
Net Expense/Revenue				
Governmental Activities	(18,786,406)	(18,812,898)	(19,892,286)	(22,532,763)
Business-type Activities	1,349	131,040	403,056	129,096
Total Primary Government Net Expense	<u>\$ (18,785,057)</u>	<u>\$ (18,681,858)</u>	<u>\$ (19,489,230)</u>	<u>\$ (22,403,667)</u>

2009	2010	2011	2012	2013	2014
\$ 5,576,273	\$ 5,785,555	\$ 6,173,420	\$ 4,024,950	\$ 4,171,226	\$ 4,223,890
7,241,517	7,315,705	7,315,329	10,372,703	10,281,566	10,808,259
4,295,999	4,459,532	4,410,379	4,414,908	4,483,782	4,742,285
4,043,994	4,176,021	4,374,891	3,582,177	3,639,256	3,518,773
5,283,634	5,512,842	5,868,594	4,799,243	4,675,850	4,962,012
2,747,646	2,965,422	3,296,006	3,763,210	3,803,191	3,704,921
497,084	429,683	415,520	383,149	376,547	325,284
29,686,147	30,644,760	31,854,139	31,340,340	31,431,418	32,285,424
3,817,041	4,131,573	4,066,022	3,821,658	3,663,927	3,785,639
<u>\$ 33,503,188</u>	<u>\$ 34,776,333</u>	<u>\$ 35,920,161</u>	<u>\$ 35,161,998</u>	<u>\$ 35,095,345</u>	<u>\$ 36,071,063</u>
283,665	300,880	295,283	327,511	304,230	343,273
1,725,209	1,487,557	1,855,655	1,772,445	1,968,614	1,876,108
661,820	642,772	605,256	663,069	695,046	703,904
80,861	86,156	83,652	79,851	78,504	56,992
886,573	812,573	876,439	904,321	1,060,545	1,047,152
87,023	126,977	102,635	86,859	88,589	91,739
3,517,105	3,728,313	3,485,464	3,356,372	3,541,462	3,030,095
1,263,869	184,098	678,095	93,857	220,309	193
8,506,125	7,369,326	7,982,479	7,284,285	7,957,299	7,149,456
3,711,036	3,669,636	3,612,221	3,857,110	3,665,550	3,489,651
-	-	-	-	20,696	-
3,711,036	3,669,636	3,612,221	3,857,110	3,686,246	3,489,651
<u>\$ 12,217,161</u>	<u>\$ 11,038,962</u>	<u>\$ 11,594,700</u>	<u>\$ 11,141,395</u>	<u>\$ 11,643,545</u>	<u>\$ 10,639,107</u>
(21,180,022)	(23,275,434)	(23,871,660)	(24,056,055)	(23,474,119)	(25,135,968)
(106,005)	(461,937)	(453,801)	35,452	22,319	(295,988)
<u>\$ (21,286,027)</u>	<u>\$ (23,737,371)</u>	<u>\$ (24,325,461)</u>	<u>\$ (24,020,603)</u>	<u>\$ (23,451,800)</u>	<u>\$ (25,431,956)</u>

(Continued)

Town of Eastchester, New York

Changes in Net Position (Continued) Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Revenues				
Governmental Activities				
Taxes				
Real property taxes	\$ 14,166,217	\$ 14,758,736	\$ 15,184,765	\$ 15,936,678
Other tax items	456,680	227,063	246,860	393,228
Non-property taxes	2,614,936	2,710,249	2,879,815	2,876,511
Unrestricted use of money and property	237,248	622,863	683,837	168,771
Unrestricted State aid	2,618,018	2,134,812	2,104,604	1,508,789
Donated assets	-	-	448,500	-
Miscellaneous	<u>111,754</u>	<u>65,203</u>	<u>52,816</u>	<u>105,082</u>
Total Governmental Activities	20,204,853	20,518,926	21,601,197	20,989,059
Business-type Activities				
Unrestricted use of money and property	<u>19,505</u>	<u>22,851</u>	<u>34,171</u>	<u>11,829</u>
Total Primary Government General Revenues	<u>\$ 20,224,358</u>	<u>\$ 20,541,777</u>	<u>\$ 21,635,368</u>	<u>\$ 21,000,888</u>
Change in Net Position				
Governmental Activities	1,418,447	1,706,028	1,708,911	(1,543,704)
Business-type Activities	<u>20,854</u>	<u>153,891</u>	<u>437,227</u>	<u>140,925</u>
Total Primary Government	<u>\$ 1,439,301</u>	<u>\$ 1,859,919</u>	<u>\$ 2,146,138</u>	<u>\$ (1,402,779)</u>

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 16,760,336	\$ 17,156,404	\$ 18,034,915	\$ 18,549,464	\$ 18,992,558	\$ 19,309,750
367,025	369,004	374,962	467,821	490,109	459,510
2,623,547	2,817,757	2,940,725	2,970,962	3,152,251	3,285,852
57,463	40,709	34,542	15,821	14,050	13,233
998,270	1,080,334	1,169,313	1,133,454	1,410,405	1,460,486
-	-	-	-	-	-
74,971	84,214	49,998	58,182	68,521	47,907
20,881,612	21,548,422	22,604,455	23,195,704	24,127,894	24,576,738
1,522	868	283	121	74	103
<u>\$ 20,883,134</u>	<u>\$ 21,549,290</u>	<u>\$ 22,604,738</u>	<u>\$ 23,195,825</u>	<u>\$ 24,127,968</u>	<u>\$ 24,576,841</u>
(298,410)	(1,727,012)	(1,267,205)	(860,351)	653,775	(559,230)
(104,483)	(461,069)	(453,518)	35,573	22,393	(295,885)
<u>\$ (402,893)</u>	<u>\$ (2,188,081)</u>	<u>\$ (1,720,723)</u>	<u>\$ (824,778)</u>	<u>\$ 676,168</u>	<u>\$ (855,115)</u>

Town of Eastchester, New York

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	168,093	435,187	794,990	847,577
Unreserved	<u>4,771,588</u>	<u>4,749,254</u>	<u>4,288,915</u>	<u>3,716,648</u>
Total General Fund	<u>\$ 4,939,681</u>	<u>\$ 5,184,441</u>	<u>\$ 5,083,905</u>	<u>\$ 4,564,225</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	1,202,873	1,837,242	1,787,986	1,098,851
Unreserved, Reported In				
Special Revenue Funds	3,893,752	4,951,767	6,089,821	7,170,020
Capital Projects Fund	<u>(654,263)</u>	<u>(148,256)</u>	<u>(1,515,082)</u>	<u>2,998,625</u>
Total All Other Governmental Funds	<u>\$ 4,442,362</u>	<u>\$ 6,640,753</u>	<u>\$ 6,362,725</u>	<u>\$ 11,267,496</u>
Total Governmental Funds	<u>\$ 9,382,043</u>	<u>\$ 11,825,194</u>	<u>\$ 11,446,630</u>	<u>\$ 15,831,721</u>

(1) - The Town implemented the provisions of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", for the fiscal year ended December 31, 2011.

2009	2010	2011 (1)	2012	2013	2014
\$ -	\$ -	\$ 1,863,382	\$ 1,935,321	\$ 1,874,897	\$ 1,560,424
-	-	1,067,411	1,079,747	1,066,648	1,106,286
-	-	649,802	756,089	1,345,108	2,201,789
765,269	1,000,227	-	-	-	-
2,978,888	2,196,154	-	-	-	-
<u>\$ 3,744,157</u>	<u>\$ 3,196,381</u>	<u>\$ 3,580,595</u>	<u>\$ 3,771,157</u>	<u>\$ 4,286,653</u>	<u>\$ 4,868,499</u>
\$ -	\$ -	\$ 1,825,726	\$ 2,010,374	\$ 2,094,108	\$ 1,405,718
-	-	198,780	325,280	1,602,445	470,843
-	-	6,673,340	5,948,886	6,364,638	6,080,234
-	-	(107,381)	(891,468)	-	(334,157)
1,203,677	789,399	-	-	-	-
7,613,294	7,692,491	-	-	-	-
687,407	(599,865)	-	-	-	-
<u>\$ 9,504,378</u>	<u>\$ 7,882,025</u>	<u>\$ 8,590,465</u>	<u>\$ 7,393,072</u>	<u>\$ 10,061,191</u>	<u>\$ 7,622,638</u>
<u>\$ 13,248,535</u>	<u>\$ 11,078,406</u>	<u>\$ 12,171,060</u>	<u>\$ 11,164,229</u>	<u>\$ 14,347,844</u>	<u>\$ 12,491,137</u>

Town of Eastchester, New York

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

	2005	2006	2007	2008
Revenues				
Real property taxes	\$ 14,447,179	\$ 14,708,909	\$ 14,989,976	\$ 16,106,554
Other tax items	456,680	227,063	246,860	393,228
Non-property taxes	2,614,936	2,710,249	2,879,815	2,876,511
Departmental income	2,177,105	2,180,752	2,717,574	2,463,068
Intergovernmental charges	37,867	28,903	34,652	32,057
Use of money and property	889,557	1,459,983	1,482,189	777,139
Fines and forfeitures	634,840	865,654	955,858	996,337
State aid	2,807,695	2,476,928	2,443,967	1,962,231
Federal aid	2,460,195	2,466,835	3,306,650	3,060,617
Miscellaneous	865,483	539,492	637,361	649,182
Total Revenues	27,391,537	27,664,768	29,694,902	29,316,924
Expenditures				
Current				
General government support	2,786,221	2,920,589	3,357,400	3,101,039
Public safety	5,499,946	5,706,483	6,084,580	6,089,104
Transportation	2,926,446	2,662,188	2,848,234	3,020,596
Economic opportunity and development	2,891,269	2,972,281	3,112,918	3,436,559
Culture and recreation	2,744,762	2,955,774	3,340,811	3,650,573
Home and community services	1,870,293	2,155,424	2,248,800	2,377,316
Employee benefits	5,421,848	5,423,694	5,432,663	5,844,119
Debt service				
Principal	828,551	721,397	923,475	996,100
Interest	317,815	391,064	436,386	375,224
Refunding bond issuance costs	-	-	-	6,667
Capital outlay	689,743	3,736,327	2,288,199	2,552,356
Total Expenditures	25,976,894	29,645,221	30,073,466	31,449,653
Excess (Deficiency) of Revenues Over Expenditures	1,414,643	(1,980,453)	(378,564)	(2,132,729)
Other Financing Sources (Uses)				
Bonds issued	-	4,423,604	-	6,511,153
Refunding bonds issued	-	-	-	630,000
Issuance premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(623,333)
Transfers in	84,114	464,592	308,546	242,432
Transfers out	(84,114)	(464,592)	(308,546)	(242,432)
Total Other Financing Sources	-	4,423,604	-	6,517,820
Net Change in Fund Balances	\$ 1,414,643	\$ 2,443,151	\$ (378,564)	\$ 4,385,091
Debt Service as a Percentage of Non-Capital Expenditures	4.5%	4.3%	4.9%	4.8%

2009	2010	2011	2012	2013	2014
\$ 16,779,114	\$ 17,097,141	\$ 18,036,219	\$ 18,549,464	\$ 18,992,558	\$ 19,368,560
367,025	369,004	374,962	467,821	490,109	459,510
2,623,547	2,817,757	2,940,725	2,970,962	3,152,251	3,285,852
2,585,995	2,436,394	2,771,341	2,784,294	3,019,063	2,910,589
53,051	42,745	37,813	22,129	26,232	27,056
493,784	352,297	305,269	256,360	255,200	254,137
991,741	879,920	983,136	1,000,367	1,122,421	1,153,159
1,478,439	1,429,917	2,088,847	1,491,376	1,728,766	1,705,587
3,845,346	3,137,473	3,003,472	2,853,992	3,163,929	2,626,671
705,088	723,282	472,431	495,340	481,901	424,004
29,923,130	29,285,930	31,014,215	30,892,105	32,432,430	32,215,125
3,085,490	3,308,349	2,942,031	3,007,871	3,172,047	3,174,016
6,046,837	6,003,888	6,069,106	6,320,525	6,535,236	6,577,089
2,987,719	3,171,630	3,157,981	2,677,413	2,757,109	2,898,219
3,509,265	3,552,447	3,621,023	3,444,911	3,445,882	3,314,177
3,583,319	3,493,888	3,397,213	3,248,077	3,328,388	3,368,835
2,310,786	2,502,494	2,571,744	2,552,427	2,624,522	2,519,768
5,313,908	5,843,884	6,329,222	7,501,615	7,679,443	8,544,137
1,468,599	1,562,938	1,557,115	1,831,325	1,774,528	1,876,789
590,631	438,665	410,648	390,570	336,117	352,704
-	44,392	-	-	-	-
3,609,762	1,577,877	2,145,222	924,202	1,433,475	1,446,098
32,506,316	31,500,452	32,201,305	31,898,936	33,086,747	34,071,832
(2,583,186)	(2,214,522)	(1,187,090)	(1,006,831)	(654,317)	(1,856,707)
-	-	2,279,744	-	3,837,932	-
-	1,522,763	-	-	-	-
-	136,732	-	-	-	-
-	(1,615,103)	-	-	-	-
246,808	558,825	238,758	187,374	118,608	15,587
(246,808)	(558,825)	(238,758)	(187,374)	(118,608)	(15,587)
-	44,392	2,279,744	-	3,837,932	-
\$ (2,583,186)	\$ (2,170,130)	\$ 1,092,654	\$ (1,006,831)	\$ 3,183,615	\$ (1,856,707)
7.2%	6.9%	6.6%	7.2%	6.7%	6.9%

(This page intentionally left blank)

Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax. These schedules include:

Assessed Value and Estimated Actual Value
of Taxable Property

Direct and Overlapping Property Tax Rates,
Per \$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

Town of Eastchester, New York

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

Year	Residential Property	Commercial Property	Industrial Property	Special Franchise (1)	Total Taxable Assessed Value
2005	\$ 83,010,701	\$ 31,526,374	\$ 742,200	\$ 4,305,117	\$ 119,584,392
2006	79,336,241	34,665,599	443,700	4,176,289	118,621,829
2007	79,299,663	32,167,363	443,700	4,212,867	116,123,593
2008	79,323,777	30,921,705	137,650	4,173,919	114,557,051
2009	77,277,548	29,416,731	137,650	4,247,685	111,079,614
2010	75,581,135	26,818,958	106,800	5,325,705	107,832,598
2011	74,403,007	25,586,550	96,450	5,340,219	105,426,226
2012	73,524,908	24,908,764	93,350	5,197,088	103,724,110
2013	73,007,032	24,571,840	93,350	5,271,576	102,943,798
2014	72,658,868	24,138,865	93,350	5,218,621	102,109,704

(1) Assessed valuation of all utilities

(2) Provided by the New York State Office of Real Property Services

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per \$1,000 of assessed value.

State Special Equalization Rate (2)	Estimated Actual Taxable Value	Direct Tax Rate			
		Town Wide	Town Outside	Special Districts	Total
1.73 %	6,912,392,601	\$ 18.7024	\$ 170.8943	\$ 87.0419	\$ 276.6386
1.62	7,322,335,123	19.2718	179.5691	93.7708	292.6117
1.47	7,899,564,150	20.4039	188.2731	104.3916	313.0686
1.38	8,301,235,580	21.6361	197.9475	116.2133	335.7969
1.43	7,767,805,175	23.9174	211.0186	126.2171	361.1531
1.54	7,002,116,753	27.6367	219.2352	133.2163	380.0882
1.48	7,123,393,649	32.0563	232.3106	134.9344	399.3013
1.48	7,008,385,811	32.0563	244.0496	141.9932	418.0991
1.49	6,908,979,732	32.9938	258.0803	153.8971	444.9712
1.41	7,241,822,979	33.4412	266.1740	160.9176	460.5328

Town of Eastchester, New York

Direct and Overlapping Property Tax Rates,
Per \$1,000 of Assessed Valuation
Last Ten Fiscal Years

Year	Total Direct Rate	Overlapping Rates					
		Westchester County				Refuse Disposal District	School Districts (Range)
		Operating	Sewer Districts (Range)				
2005	\$ 276.6386	\$ 186.9405	\$ 21.7772	- \$ 27.9649	\$ 22.6364	\$ 748.3345	- \$ 821.4152
2006	292.6117	190.2329	22.3913	- 27.3631	22.1163	804.5216	- 906.6304
2007	313.0686	197.7144	28.5462	- 28.4977	22.0698	858.8931	- 986.0647
2008	335.7969	202.3520	29.2245	- 28.9641	19.3911	918.8337	- 1,051.5563
2009	361.1531	211.3027	31.4680	- 32.8933	19.9663	977.0985	- 1,079.0878
2010	380.0882	216.1915	33.7957	- 34.4330	20.5689	1,046.4553	- 1,152.2354
2011	399.3013	220.0869	35.2851	- 36.0528	21.4563	1,127.4895	- 1,207.8685
2012	418.0991	241.8596	38.7790	- 39.5945	23.6510	1,166.5851	- 1,261.6574
2013	444.9712	243.3834	39.4881	- 41.3749	24.0633	1,235.1628	- 1,332.1160
2014	460.5328	248.2411	37.5467	- 40.6534	23.1443	1,290.5554	- 1,366.8121

Source: Town of Eastchester Comptroller's Office

Town of Eastchester, New York

Principal Taxpayers

Current Year and Nine Years Ago

2014				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Con Edison	Utility	\$ 3,415,628	3.35 %
2	United Water Company	Utility	1,541,032	1.51
3	Vernon Hills Shopping Center	Shopping Center	1,193,500	1.17
4	Interlaken Owners	Apartments	939,800	0.92
5	230 Garth Road Owners	Apartments	759,000	0.74
6	Midland Garden Owners	Apartments	704,420	0.69
7	Scarsdale Manor Owners	Apartments	584,150	0.57
8	Bronxville West LLC	Real Estate Inv	470,400	0.46
9	281 Scarsdale Corp	Apartments	447,600	0.44
10	Garth Woods Owners	Apartments	441,000	0.43
	Total		<u>\$ 10,496,530</u>	<u>10.28 %</u>

2005				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Consolidated Edison	Utility	\$ 3,166,174	2.65 %
2	Vernon Hill Shopping Center	Shopping Center	1,545,650	1.29
3	United Water Company	Utility	1,294,077	1.08
4	Interlaken Owners, Inc.	Apartments	1,076,000	0.90
5	230 Garth Road Owners	Apartments	930,000	0.78
6	Bronxville West LLC	Real Estate Inv.	910,000	0.76
7	Midland Gardens	Apartments	845,877	0.71
8	Scarsdale Manor	Apartments	809,750	0.68
9	281 Scarsdale Corp	Shopping Center	625,000	0.52
10	R & F Scarsdale LLC	Apartments	586,900	0.49
	Total		<u>\$ 11,789,428</u>	<u>9.86 %</u>

Source: Town of Eastchester Assessor's Office.

Town of Eastchester, New York

**Property Tax Levies and Collections
Last Ten Fiscal Years**

Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 14,242,583	\$ 14,069,420	98.78 %	\$ 156,181	\$ 14,225,601	99.88 %
2006	14,787,400	14,501,389	98.07	207,742	14,709,131	99.47
2007	15,345,421	15,012,930	97.83	177,520	15,190,450	98.99
2008	15,983,878	15,688,032	98.15	270,398	15,958,430	99.84
2009	16,843,111	16,657,846	98.90	160,000	16,817,846	99.85
2010	17,233,007	16,815,937	97.58	150,995	16,966,932	98.46
2011	18,091,543	17,704,767	97.86	44,329	17,749,096	98.11
2012	18,618,821	18,228,707	97.90	41,275	18,269,982	98.13
2013	19,046,896	18,924,930	99.36	37,414	18,962,343	99.56
2014	19,345,208	19,055,126	98.50	31,707	19,086,833	98.66

(1) Includes tax levy for General, Town Outside Villages, Highway, Library and Special Districts.

Source: Town of Eastchester Comptroller's Office

Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information

Town of Eastchester, New York

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Percentage of Actual Taxable Value of Property (1)	Per Capita (1)(2)
	General Obligation Bonds	Less Debt Service Funds Available	Net		
2005	\$ 6,347,889	\$ 202,330	\$ 6,145,559	0.09 %	\$ 202.69
2006	10,050,096	353,973	9,696,123	0.14	320.90
2007	9,126,621	384,580	8,742,041	0.12	291.42
2008	14,661,674	387,284	14,274,390	0.18	468.15
2009	13,193,075	412,210	12,780,865	0.17	421.26
2010	11,597,752	16,911	11,580,841	0.17	370.32
2011	12,320,381	18,099	12,302,282	0.17	380.69
2012	10,540,241	88,841	10,451,400	0.15	325.69
2013	12,628,456	232,179	12,396,277	0.18	390.21
2014	10,736,468	247,959	10,488,509	0.15	331.75

(1) - Excludes amounts available for debt service

(2) - Population and personal income data can be found in the schedule of demographic and economic statistics

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements

Business- type Activities				
General Obligation Bonds	Total Primary Government(1)	Percentage of Personal Income (1)(2)		Per Capita (1)(2)
\$ 4,817,111	\$ 11,165,000	0.60 %		\$ 356.50
4,308,208	14,358,304	0.78		458.47
3,713,379	12,840,000	0.66		409.99
3,237,383	17,899,057	0.92		571.53
2,561,925	15,755,000	0.81		503.07
1,842,248	13,440,000	0.69		429.15
1,178,098	13,498,479	0.67		417.10
972,707	11,512,948	0.70		355.74
829,653	13,458,109	0.81		415.85
624,674	11,361,142	0.69		351.05

(This page intentionally left blank)

Town of Eastchester, New York

Direct and Overlapping Governmental Activities Debt December 31, 2014

<u>Government Unit</u>	<u>Net Long-Term Debt Outstanding (1)</u>	<u>Percentage Applicable to Eastchester (2)</u>	<u>Amount Applicable to Eastchester</u>
County of Westchester	\$ 1,098,445,984	3.41 %	\$ 37,511,048
Villages (as of May 31, 2014):			
Tuckahoe	3,929,933	100.00	3,929,933
Bronxville	14,292,414	100.00	14,292,414
School Districts:			
Bronxville (as of June 30, 2014)	15,320,200	100.00	15,320,200
Eastchester (as of June 30, 2014)	49,222,905	100.00	49,222,905
Tuckahoe (as of June 30, 2014)	26,806,958	100.00	<u>26,806,958</u>
Net Overlapping Debt			147,083,458
Net Direct Debt (3)			<u>10,736,468</u>
Net Direct and Overlapping Debt			<u><u>\$ 157,819,926</u></u>

(1) Excludes the amount available for debt service in other funds

(2) The percentage of overlapping debt applicable is estimated using taxable assessed values.

Applicable percentages were estimated by determining the portion of the Town's taxable assessed value that is within the government's boundaries and dividing it by the Town's total taxable assessed value.

(3) Represents governmental activities debt only

Source: Town of Eastchester and County of Westchester Finance Departments.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town.

This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

Town of Eastchester, New York

**Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Debt Limit	\$ 375,302,414	\$ 423,153,832	\$ 474,049,056	\$ 512,524,622
Total Net Debt Applicable to Limit	<u>13,135,603</u>	<u>12,839,999</u>	<u>13,334,854</u>	<u>15,725,612</u>
Legal Debt Margin	<u>\$ 362,166,811</u>	<u>\$ 410,313,833</u>	<u>\$ 460,714,202</u>	<u>\$ 496,799,010</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.50%	3.03%	2.81%	3.07%

Legal Debt Margin Calculation for Fiscal Year 2014

<u>Assessment Roll</u>		<u>Assessed Valuation</u>	<u>State Special Equalization Ratio</u>	<u>Full Valuation</u>
<u>Year</u>	<u>Budget Year</u>			
2013	2014	\$ 102,109,704	1.41 %	\$ 7,241,822,979
2012	2013	102,943,798	1.49	6,908,979,732
2011	2012	103,724,110	1.48	7,008,385,811
2010	2011	105,426,226	1.48	7,123,393,649
2009	2010	107,832,598	1.54	<u>7,002,116,753</u>
Total Five Year Full Valuation				<u>\$ 35,284,698,924</u>
Five Year Average Full Valuation of Taxable Real Property				<u>7,056,939,785</u>
Debt Limit - 7% of Five Year Average Full Valuation				<u>493,985,785</u>
Outstanding Town Debt:				
Serial Bonds				11,265,002
Bond Anticipation Notes				<u>2,232,219</u>
				13,497,221
Less - Appropriations in 2015 Budget				<u>2,035,001</u>
Net Indebtedness Subject to Debt Limit				<u>11,462,220</u>
Net Debt Contracting Margin				<u>\$ 482,523,565</u>

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 534,846,657	\$ 536,102,795	\$ 533,317,614	\$ 520,841,118	\$ 501,349,536	\$ 493,985,785
<u>15,017,852</u>	<u>13,823,220</u>	<u>13,005,687</u>	<u>11,906,469</u>	<u>11,267,000</u>	<u>11,462,220</u>
<u>\$ 519,828,805</u>	<u>\$ 522,279,575</u>	<u>\$ 520,311,927</u>	<u>\$ 508,934,649</u>	<u>\$ 490,082,536</u>	<u>\$ 482,523,565</u>
2.81%	2.58%	2.44%	2.29%	2.25%	2.32%

(This page intentionally left blank)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place. These schedules include:

Demographic and Economic Statistics

Principal Employers

(This page intentionally left blank)

Town of Eastchester, New York

Demographic Statistics Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population (1)	Personal Income	Per Capita Income (2)	Town Unemployment Rate (3)	County Unemployment Rate (4)
2005	31,318	\$ 1,846,258,736	\$ 58,952	3.70 %	5.10 %
2006	31,318	1,846,258,736	58,952	3.50	4.80
2007	31,318	1,943,125,310	62,045	3.60	4.60
2008	31,318	1,943,125,310	62,045 (5)	4.60	4.80
2009	31,318	1,943,125,310	62,045 (5)	6.50	7.00
2010	31,318	1,943,125,310	62,045 (5)	6.70	6.90
2011	32,363	2,007,962,335	62,045 (5)	5.70	6.40
2012	32,363	1,654,590,738	51,126	6.20	7.00
2013	32,363	1,654,590,738	51,126	4.50	5.10
2014	32,363	1,654,590,738	51,126	4.10	4.60

Sources:

(1) 2004-2010 (2000 U.S. Census), 2011-2013 (2010 U.S. Census)

(2) U.S. Bureau of Economic Analysis

(3) NYS Department of Labor - Town of Eastchester

(4) NYS Department of Labor - Westchester County

(5) Data not available - used figures from 2007, the latest information available

Town of Eastchester, New York

Principal Employers

Current Year and Nine Years Ago

<u>Employer</u>	2013	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Lawrence Hospital	1,600	10.53 %
Lord & Taylor	500	3.29
Eastchester School District	540	3.55
Tuckahoe School	267	1.76
Bronxville School	250	1.64
Town of Eastchester	214	1.41
Concordia College	147	0.97
Stop & Shop	109	0.72
Village of Bronxville	100	0.66
Village of Tuckahoe	93	0.61
	<u>3,820</u>	<u>25.14 %</u>
<u>Employer</u>	2005	
	<u>Employees</u>	<u>Percentage of Total Employment</u>
Lawrence Hospital	1,150	7.42 %
Eastchester School District	425	2.74
Lord & Taylor	325	2.10
Town Of Eastchester	200	1.29
Bronxville School District	175	1.13
Concordia College	95	0.61
Family Consulting Services of Eastchester	95	0.61
Stop & Shop	85	0.55
Village of Bronxville	68	0.44
Village of Tuckahoe	65	0.42
	<u>2,683</u>	<u>17.31 %</u>

Sources: The Town Comptroller's Office and the New York State Department of Labor

Note: Based upon estimated Town employment of 15,200 in 2014 and 15,500 in 2005.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. These schedules include:

Full-Time Equivalent Town Government Employees by Function

Total Salaries of Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

Town of Eastchester, New York

Full-Time Equivalent Town Government Employees By Function Last Ten Fiscal Years

<u>Function</u>	<u>Full-time Equivalent Employees as of December 31,</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	35	36	36	32
Public Safety	67	68	68	70
Transportation	36	34	34	32
Economic Opportunity and Development	17	18	18	21
Culture and Recreation	191	191	196	201
Home and Community Services	<u>19</u>	<u>19</u>	<u>19</u>	<u>21</u>
Total	<u><u>364</u></u>	<u><u>366</u></u>	<u><u>371</u></u>	<u><u>377</u></u>

Source: Town Comptroller's Office

2009	2010	2011	2012	2013	2014
35	34	34	31	31	26
70	73	73	63	60	57
34	31	31	28	27	26
21	20	20	18	19	19
200	192	192	180	199	184
22	24	24	22	17	17
<u>382</u>	<u>374</u>	<u>374</u>	<u>342</u>	<u>353</u>	<u>329</u>

Town of Eastchester, New York**Total Salaries of Town Government Employees by Function
Last Ten Fiscal Years**

<u>Function</u>	<u>Total Salaries of Employees as of December 31,</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	\$ 1,602,291	\$ 1,689,232	\$ 1,659,079	\$ 1,703,466
Public Safety	5,007,953	5,114,315	5,282,789	5,501,838
Transportation	1,901,761	1,888,772	2,041,537	2,034,154
Economic Opportunity and Development	555,713	548,303	590,284	619,385
Culture and Recreation	1,934,436	2,007,497	2,187,394	2,162,026
Home and Community Services	979,761	1,035,278	1,070,281	1,256,468
Lake Isle	<u>1,073,416</u>	<u>1,191,292</u>	<u>1,303,093</u>	<u>1,287,837</u>
Total	<u>\$ 13,055,331</u>	<u>\$ 13,474,689</u>	<u>\$ 14,134,457</u>	<u>\$ 14,565,174</u>

Source: Town Comptroller's Office

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 1,772,886	\$ 1,796,324	\$ 1,558,871	\$ 1,518,758	\$ 1,546,935	\$ 1,548,189
5,329,896	5,421,861	5,324,861	5,741,124	5,800,755	5,492,699
2,057,719	1,875,142	1,948,078	1,554,166	1,682,141	1,706,156
594,840	470,286	461,615	673,286	516,101	589,224
2,013,999	2,066,959	1,543,166	1,257,908	1,860,349	1,875,945
1,287,205	1,499,783	1,328,619	1,199,878	1,678,866	1,376,787
<u>1,190,748</u>	<u>855,288</u>	<u>1,055,793</u>	<u>795,307</u>	<u>560,036</u>	<u>634,072</u>
<u>\$ 14,247,293</u>	<u>\$ 13,985,643</u>	<u>\$ 13,221,003</u>	<u>\$ 12,740,427</u>	<u>\$ 13,645,183</u>	<u>\$ 13,223,072</u>

Town of Eastchester, New York

Operating Indicators By Function/Program Last Ten Fiscal Years

	2005	2006	2007	2008
General Government Support				
Assessor's office				
STAR program exemptions				
Basic	4,145	4,224	4,381	4,448
Enhanced	952	919	857	847
Basic - Co-op	1,510	1,596	1,903	1,750
Enhanced - Co-op	483	481	443	402
Town Attorney's Office				
Claims filed	53	41	31	36
Town comptroller's office				
W-2's issued	625	641	628	638
Purchase orders issued	1,067	1,132	1,120	1,048
Invoices paid	5,789	5,859	5,964	6,050
Justice court				
Criminal cases	366	343	313	316
Civil cases	122	114	124	115
V & T cases	4,202	4,454	4,274	5,501
Jury trials	-	1	-	-
Tax receiver's office				
Parcels administered				
Town /County /Special Districts	9,124	9,120	9,142	9,156
Eastchester School District	5,093	5,097	5,090	5,111
Tuckahoe School District	2,135	2,130	2,154	2,149
Town clerk's office				
Marriage licenses	212	234	214	173
Death certificates	42	27	44	36
Handicap permits	423	472	455	423
FOIL requests (answered)	62	75	55	46
Garth Road resident parking permits	2,294	2,417	2,194	2,282
Dog licenses issued	304	312	299	302
Public Safety				
Police department				
Physical arrests	272	292	277	333
Parking violations	19,717	22,415	21,522	19,062
Traffic violations	4,045	4,242	3,915	5,137
Traffic arrests	131	127	105	132
Town ordinances	103	60	70	61
Building department				
Building permits issued	1,041	1,190	1,063	1,028
Building C/O's issued	18	30	35	14
Building C/C's issued	143	180	168	179
Planning/zoning board				
Planning Board applications	41	44	43	33
Zoning Board / ARB applications	40	49	41	39

2009	2010	2011	2012	2013	2014
4,505	4,526	4,285	4,225	4,103	3,879
811	815	833	831	760	822
1,793	1,801	1,726	1,777	1,759	1,671
398	397	413	404	431	457
51	39	35	28	29	26
603	564	575	555	559	566
999	1,011	839	1,736	1,800	1,922
6,122	6,030	6,377	5,571	5,534	6,182
312	252	319	411	216	285
142	117	209	99	73	72
5,404	4,978	5,482	5,590	5,659	6,104
1	1	-	-	-	-
9,262	9,233	9,235	9,297	9,227	9,286
5,132	5,120	5,121	5,118	5,119	5,115
2,239	2,230	2,231	2,232	2,227	2,227
152	152	142	132	130	131
37	30	44	39	52	47
532	540	544	573	544	604
45	45	59	52	59	75
2,239	2,202	2,206	2,250	2,302	2,150
306	286	441	440	501	469
297	354	419	326	320	186
17,685	16,417	15,652	15,934	20,603	20,270
4,776	4,535	4,848	5,103	5,308	5,755
108	99	191	181	181	219
82	62	68	123	82	111
858	973	952	913	1,110	1,137
8	4	5	2	6	6
314	256	251	243	260	249
23	28	28	22	13	30
14	31	28	43	43	38

(Continued)

Town of Eastchester, New York

Operating Indicators By Function/Program (Continued)

Last Ten Fiscal Years

	2005	2006	2007	2008
Economic Opportunity and Development				
Section 8 housing assistance program				
House choice vouchers issued	249	250	246	251
Total Vouchers	255	255	255	255
Culture and Recreation				
Recreation				
Adult programs	15	15	15	15
Children's programs	20	22	26	28
Children camps	4	4	4	4
Teen scene	1	1	1	1
Pre-school classes	8	8	10	12
Open gyms	1	1	2	2
Special events	14	15	16	16
Participants in recreation programs				
Adult programs	N/A	N/A	N/A	650
Children's programs	N/A	N/A	N/A	1,200
Children camps	N/A	N/A	N/A	700
Teen scene	N/A	N/A	N/A	250
Pre-school classes	N/A	N/A	N/A	400
Open gyms	N/A	N/A	N/A	100
Special events	N/A	N/A	N/A	7,500
Lake Isle recreational facility				
Resident membership				
Comprehensive	219	192	204	199
Golf	323	310	253	238
Pool	1,523	1,532	1,465	1,394
Tennis	107	89	101	88
Pool and tennis	43	53	38	28
Total Resident Membership	2,215	2,176	2,061	1,947
Non-Resident membership				
Comprehensive	24	23	35	31
Golf	250	224	190	165
Pool	528	528	529	489
Tennis	90	91	91	90
Pool and tennis	22	22	19	20
Total Non-Resident Membership	914	888	864	795
Library				
Volumes in collections	95,921	88,393	89,851	84,433
Periodical/newspaper subscription	216	216	209	208
Audio visual materials	7,593	7,485	12,854	13,002
Circulation materials	242,909	224,051	259,768	219,347
Electronic materials-Downloadable books	N/A	N/A	N/A	1,582
Home and Community Services				
Senior programs				
Congregate meals served	25,309	23,221	21,135	21,153
Home delivered meals	14,142	14,315	15,257	14,149
Medical and shopping trips	3,190	3,411	6,098	6,091

2009	2010	2011	2012	2013	2014
248	242	239	235	226	210
255	255	255	255	255	255
12	7	7	7	7	7
28	5	10	12	14	14
5	8	6	6	8	10
1	1	1	1	1	1
17	4	7	8	8	8
2	1	1	1	N/A	N/A
17	12	12	12	12	12
400	5	325	325	325	325
11	550	650	650	650	750
750	750	750	750	800	900
195	165	121	197	212	140
325	165	165	165	175	175
50	30	30	30	N/A	N/A
7,500	8,000	8,000	8,000	8,000	8,000
167	200	219	172	175	212
199	191	122	153	161	139
1,269	1,384	1,443	1,507	1,435	1,309
75	83	73	60	48	-
17	16	14	16	9	12
1,727	1,874	1,871	1,908	1,828	1,672
36	42	46	32	31	37
128	129	102	75	91	84
381	319	319	279	366	348
85	82	72	34	28	-
15	18	15	9	5	6
645	590	554	429	521	475
85,560	86,313	87,880	90,110	85,495	86,004
147	205	153	144	139	139
14,523	14,761	16,670	12,273	13,955	11,695
226,676	208,086	221,613	215,897	157,277	228,553
1,959	2,695	8,603	56,304	50,668	76,258
21,363	20,563	19,647	19,275	18,220	11,803
13,078	16,632	15,460	13,559	15,302	15,383
5,557	5,062	6,098	4,898	4,755	5,062

(Continued)

Town of Eastchester, New York

Operating Indicators By Function/Program (Concluded)

Last Ten Fiscal Years

	2005	2006	2007	2008
Highway				
Trees planted	N/A	71	95	147
Trees pruned	N/A	140	155	201
Trees removed	N/A	177	184	216
Refuse				
Refuse collected in tons	10,582	10,652	10,830	9,583
Recyclables collected -commingled	1,892	1,791	680	807
Recyclables collected -newspaper	671	655	1,730	1,916
Recyclables collected -metal	268	361	312	209

Note: "N/A" indicates data not available.

Sources: Various Town departments

2009	2010	2011	2012	2013	2014
158	141	121	267	79	80
115	78	69	163	63	125
124	287	168	106	164	157
8,468	8,290	8,276	8,002	7,984	7,888
779	787	851	764	815	779
1,719	1,743	1,617	1,589	1,600	1,585
163	170	105	43	47	48

Town of Eastchester, New York

Capital Asset Statistics By Function/Program Last Ten Fiscal Years

	2005	2006	2007	2008
General Government Support				
Number of general government buildings	4	4	4	4
Public Safety				
Number of police stations	1	1	1	1
Number of fire stations	5	5	5	5
Patrol sectors	4	4	4	4
Transportation				
Miles of streets	49.57	49.57	49.57	49.57
Number of street lights	1,436	1,436	1,436	1,436
Number of traffic signals	31	31	31	31
Parking meters	800	800	800	800
Culture and Recreation				
Number of community centers	1	1	2	2
Number of parks	16	16	16	16
Acres of parks	175	175	175	175
Playgrounds	7	7	7	7
Baseball/softball diamonds	12	12	12	12
Outdoor tennis courts	14	14	14	14
Soccer fields	5	5	5	5
Basketball courts	6	6	6	6
Outdoor pools	3	3	3	3
Golf course	1	1	1	1
Picnic areas	1	1	1	1
Libraries	1	1	1	1

Sources: Various Town departments

2009	2010	2011	2012	2013	2014
4	4	4	4	4	4
1	1	1	1	1	1
5	5	5	5	5	5
4	4	4	4	4	4
49.57	49.57	49.57	49.57	49.57	49.57
1,436	1,436	1,436	1,436	1,436	1,436
31	31	31	31	31	31
800	800	800	800	800	800
2	2	2	2	2	2
16	16	16	16	16	16
175	175	175	175	175	175
7	7	7	7	7	7
12	12	12	12	12	12
14	14	14	14	14	14
5	5	5	5	5	5
6	6	6	6	6	6
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1

(This page intentionally left blank)

**FEDERAL
AWARDS**

(This page intentionally left blank)

**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***

Independent Auditors' Report

**The Honorable Supervisor and Town Board
of the Town of Eastchester, 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, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Eastchester, New York ("Town") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated February 18, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 Town'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*.

We noted certain matters that we reported to the management of the Town in a separate letter.

Purpose of this 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 Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "O'Connor Davies, LLP". The signature is written in a cursive, flowing style.

O'Connor Davies, LLP
Harrison, New York
February 18, 2015

**Report on Compliance For Each Major Federal Program and on
Internal Control Over Compliance Required by
OMB Circular A-133**

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

We have audited the Town of Eastchester, New York's ("Town") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2014. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



O'Connor Davies, LLP
Harrison, New York
February 18, 2015

Town of Eastchester, New YorkSchedule of Expenditures of Federal Awards
Year Ended December 31, 2014

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>		
Direct Program		
Section 8 Housing Choice Vouchers	14.871	<u>\$ 2,514,457</u>
<u>U.S. Department of Health and Human Services</u>		
Indirect Programs		
Passed through County of Westchester		
<i>Aging Cluster</i>		
Aging - Title III - Part B	93.044	7,247
Aging - Title III - Part C	93.045	59,098
Nutrition Services Incentive Program	93.053	<u>23,184</u>
Total U.S. Department of Health and Human Services		<u>89,529</u>
<u>U.S. Department of Homeland Security</u>		
Indirect Program		
Passed through New York State Division of Homeland Security and Emergency Services		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	<u>33,810</u>
Total Expenditures of Federal Awards		<u><u>\$ 2,637,796</u></u>

(1) Catalog of Federal Domestic Assistance Number

The accompanying notes are an integral part of this schedule.

Town of Eastchester, New York

Notes to Schedule of Expenditures of Federal Awards Year Ended December 31, 2014

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Town of Eastchester, New York ("Town") under programs of the federal government for the year ended December 31, 2014. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, which establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments.

Town of Eastchester, New York

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2014

None

Town of Eastchester, New York

Schedule of Findings and Questioned Costs
Year Ended December 31, 2014

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Noncompliance material to financial statements
noted?

____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

____ Yes X No
____ Yes X None reported

Type of auditors' report issued on compliance
for major programs

Unmodified

Any audit findings disclosed that are
required to be reported in accordance with
Section 510(a) of OMB Circular A-133?

____ Yes X No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

14.871

Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish
between Type A and Type B programs
Auditee qualified as low-risk auditee?

\$300,000
 X Yes ____ No

Town of Eastchester, New York

Schedule of Findings and Questioned Costs
Year Ended December 31, 2014

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None