

# **TOWN OF EASTCHESTER, NEW YORK**

Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2017

Prepared by  
Comptroller's Office  
**Dawn T. Donovan**  
*Comptroller*



**Town of Eastchester, New York**

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Fiscal Year Ended December 31, 2017  
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<b>STATISTICAL SECTION (Unaudited)</b>
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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.

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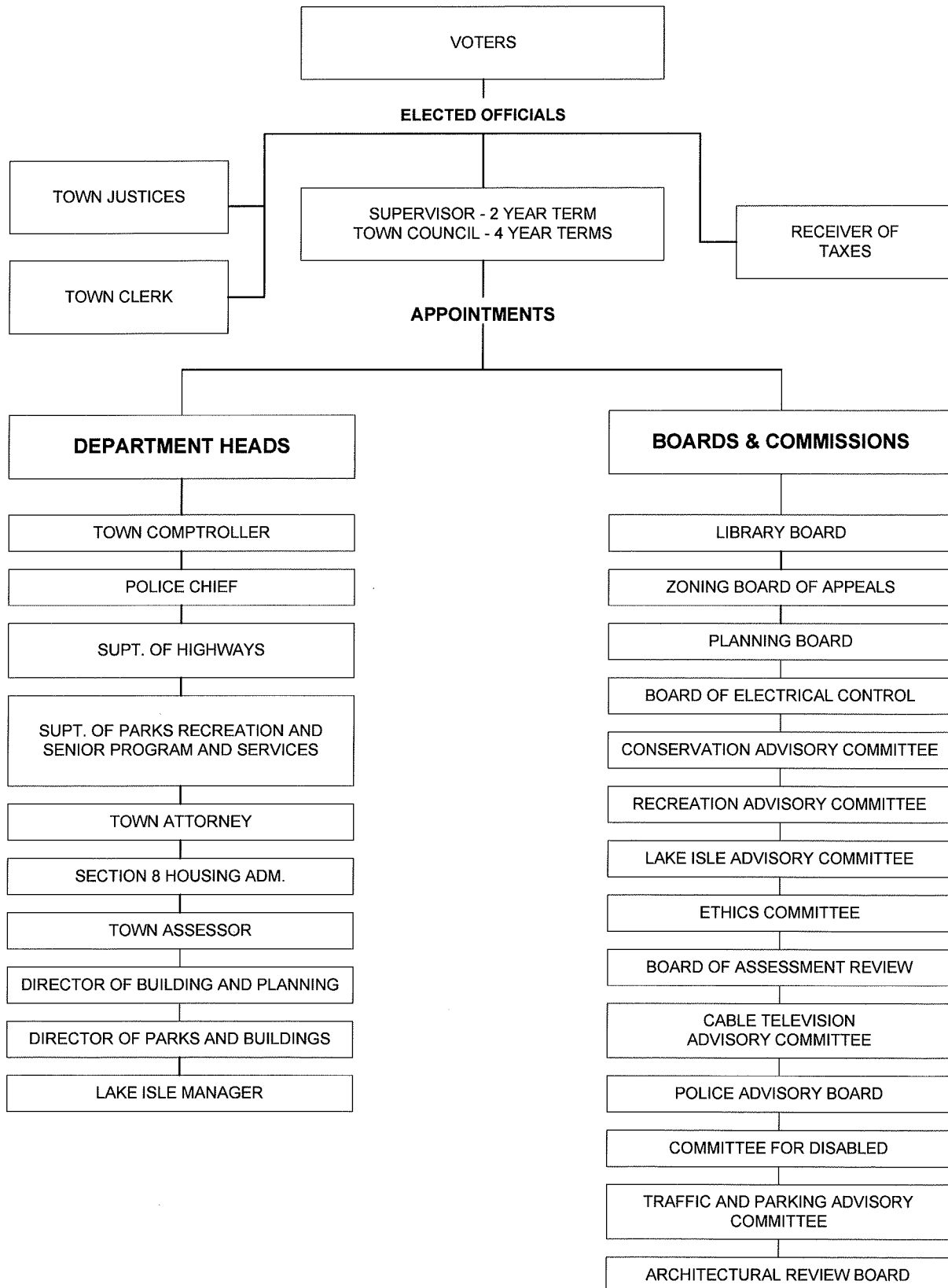
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**TOWN OF EASTCHESTER,  
NEW YORK  
PRINCIPAL OFFICIALS**

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

# STRUCTURE OF EASTCHESTER TOWN GOVERNMENT



**Supervisor**  
ANTHONY S. COLAVITA

*Founded*  *1664*

**Comptroller**  
DAWN T. DONOVAN

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

**TOWN OF EASTCHESTER**  
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[www.eastchester.org](http://www.eastchester.org)

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

**Town Clerk**  
LINDA D. LAIRD

[comptroller@eastchester.org](mailto:comptroller@eastchester.org)

**Receiver of Taxes**  
ROCCO N. CACCIOLA

March 2, 2018

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, 2017 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 PKF 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, 2017, 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, 2017, 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, 2017 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 according to the 2010 U.S. Census of approximately 32,400, also includes the Villages of Tuckahoe and Bronxville. According to the census data, 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 2017, approximately \$150,000 was spent on repairs to sidewalks and curbs (\$150,000 in 2016). The resurfacing for Town roads amounted to \$1,000,000 (\$650,000 in 2016). The Town relocated the police locker room which gave it a much needed improvement for \$190,000.

## **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.
- The Town is committed to build a community center to house our senior nutrition program. This building will also be used for other recreational programs.

## **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, 2016. This is the nineteenth 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 from various departments within the Town, with special thanks to employees in the Comptroller's Office and to our independent auditor, PKF 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 cursive script that reads "Dawn T. Donovan".

Dawn T. Donovan  
Town Comptroller

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**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, 2016**

*Christopher P. Morill*

**Executive Director/CEO**

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**FINANCIAL  
SECTION**

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## **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, 2017, 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who 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 for the year ended December 31, 2017 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and the introductory and statistical sections for the year ended December 31, 2017 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 for the year ended December 31, 2017 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2017.

We also previously audited, 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, the basic financial statements of the Town as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated March 1, 2017, which contained unmodified opinions on the respective financial

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2017 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 27, 2018 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 effectiveness of the Town's 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.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

February 27, 2018

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# Town of Eastchester, New York

## Management's Discussion and Analysis (MD&A) December 31, 2017

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### 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, 2017. 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 2017 are as follows:

- ❖ On the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$4,040,354. However, unrestricted net position, which is available to meet the ongoing obligations of the Town, reflects a deficit of \$13,958,870 at December 31, 2017. The unrestricted net position deteriorated by \$3,505,334 from the prior year. This deficit results primarily from the accrual of certain operating liabilities pursuant to various Governmental Accounting Standards Board ("GASB") pronouncements discussed below. These obligations will be satisfied in future years, including borrowings for judgments and claims, compensated absences, net pension liabilities and other postemployment benefit ("OPEB") obligations.
- ❖ The total decrease in net position resulted primarily from the increase of \$1.7 million in the accrual for the Town's OPEB obligation in accordance with the requirements of GASB Statement No. 45, partially offset by the positive results from operations.
- ❖ In addition to the impact of the Town's OPEB obligations, the government-wide financial statements for the year ended December 31, 2017 are also significantly impacted by the provisions of GASB Statement No. 68. This pronouncement established accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"). Under the new standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2017, the Town reported in its Statement of Net Position a liability of \$5,340,890 for its proportionate share of the ERS and PFRS net pension liabilities. More detailed information about the Town's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in note 3H in the notes to financial statements.
- ❖ As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$14,317,793, representing an increase in fund balance of \$251,803 from the prior year. This was primarily the result of the issuance of serial bonds to finance capital projects and tax certiorari obligations.

- ❖ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,040,521 or 44% of total General Fund expenditures and other financing uses for 2017. This represents an increase of \$148,962 in unassigned fund balance from the previous year. This was primarily caused by higher than anticipated collections of mortgage taxes.
- ❖ In 2017, the Town retired \$2,440,000 of long-term bonded indebtedness and issued \$4,572,167 of new long-term indebtedness. From the proceeds of the bonds, the Town retired \$1,566,521 of outstanding short-term bond anticipation note debt.

## **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, OPEB and net pension liabilities).

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 schedules for the Town's OPEB obligations and net pension liabilities, 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 and deferred inflows of resources by \$4,040,354 at the close of 2017.

## Net Position

	December 31, 2017			December 31, 2016		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Current Assets	\$ 68,091,799	\$ (753,034)	\$ 67,338,765	\$ 62,708,557	\$ (914,922)	\$ 61,793,635
Capital Assets, Net	23,054,406	4,746,007	27,800,413	21,227,071	5,019,267	26,246,338
Total Assets	91,146,205	3,992,973	95,139,178	83,935,628	4,104,345	88,039,973
Deferred Outflows of Resources	5,551,307	4,376	5,555,683	9,867,344	8,751	9,876,095
Current Liabilities	45,334,750	113,427	45,448,177	46,037,109	151,904	46,189,013
Long-Term Liabilities	44,546,996	407,769	44,954,765	43,546,583	412,820	43,959,403
Total Liabilities	89,881,746	521,196	90,402,942	89,583,692	564,724	90,148,416
Deferred Inflows of Resources	6,251,565	-	6,251,565	1,334,900	-	1,334,900
Net Position						
Net Investment in Capital Assets	12,705,732	4,342,614	17,048,346	11,509,676	4,540,198	16,049,874
Restricted	950,878	-	950,878	836,414	-	836,414
Unrestricted	(13,092,409)	(866,461)	(13,958,870)	(9,461,710)	(991,826)	(10,453,536)
Total Net Position	\$ 564,201	\$ 3,476,153	\$ 4,040,354	\$ 2,884,380	\$ 3,548,372	\$ 6,432,752

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 \$950,878. The remaining balance of unrestricted net position, which is a deficit of \$13,958,870, 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 (\$964,470), claims payable (\$4,589,236), net pension liability (\$5,340,890) and other post-employment benefit obligations (\$21,103,964) 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 (\$1,826,342) results from bonds issued for previously paid judgments and claims.

At the end of the current fiscal year, the Town is able to report a positive balance in total net position, both for the Town as a whole, as well as for its separate governmental and business-type activities. However, the Town's overall net position decreased by \$2,392,398 from the prior fiscal year. The reasons for this overall decrease are discussed in the sections for governmental and business-type activities immediately after the following table.

## Change in Net Position

	Fiscal Year Ended December 31, 2017			Fiscal Year Ended December 31, 2016		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 4,219,269	\$ 3,623,416	\$ 7,842,685	\$ 4,716,647	\$ 3,698,525	\$ 8,415,172
Operating Grants and Contributions	3,408,996	-	3,408,996	3,272,473	-	3,272,473
Capital Grants and Contributions	108,835	-	108,835	(647,948)	-	(647,948)
General Revenues						
Real Property Taxes	20,010,017	-	20,010,017	19,946,451	-	19,946,451
Other Tax Items	434,584	-	434,584	1,404,668	-	1,404,668
Non-Property Taxes	3,483,512	-	3,483,512	3,334,838	-	3,334,838
Unrestricted Use of Money and Property	32,964	82	33,046	26,803	66	26,869
Unrestricted State Aid	1,561,982	-	1,561,982	1,392,729	-	1,392,729
Donated Assets	50,340	-	50,340	68,495	-	68,495
<b>Total Revenues</b>	<b>33,310,499</b>	<b>3,623,498</b>	<b>36,933,997</b>	<b>33,515,156</b>	<b>3,698,591</b>	<b>37,213,747</b>
<b>PROGRAM EXPENSES</b>						
General Government Support	4,664,654	-	4,664,654	4,608,039	-	4,608,039
Public Safety	12,815,240	-	12,815,240	13,787,541	-	13,787,541
Transportation	4,830,627	-	4,830,627	4,880,103	-	4,880,103
Economic Opportunity and Development	3,584,302	-	3,584,302	3,655,301	-	3,655,301
Culture and Recreation	5,406,896	-	5,406,896	5,706,329	-	5,706,329
Home and Community Services	4,049,297	-	4,049,297	4,138,101	-	4,138,101
Interest	279,662	-	279,662	270,411	-	270,411
Lake Isle	-	3,695,717	3,695,717	-	3,843,027	3,843,027
<b>Total Expenses</b>	<b>35,630,678</b>	<b>3,695,717</b>	<b>39,326,395</b>	<b>37,045,825</b>	<b>3,843,027</b>	<b>40,888,852</b>
<b>Change in Net Position</b>	<b>(2,320,179)</b>	<b>(72,219)</b>	<b>(2,392,398)</b>	<b>(3,530,669)</b>	<b>(144,436)</b>	<b>(3,675,105)</b>
<b>NET POSITION</b>						
Beginning	2,884,380	3,548,372	6,432,752	6,415,049	3,692,808	10,107,857
Ending	<u>\$ 564,201</u>	<u>\$ 3,476,153</u>	<u>\$ 4,040,354</u>	<u>\$ 2,884,380</u>	<u>\$ 3,548,372</u>	<u>\$ 6,432,752</u>

### Governmental Activities

For the fiscal year ended December 31, 2017, revenues from governmental activities totaled \$33,310,499. Tax revenues of \$23,928,113, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (71.8%). The \$204,657 decrease in total governmental activities revenues from the prior year is the result of a combination of the following factors:

- Charges for services decreased by \$497,378 as a result of lower police fees and safety inspection fees due to less building activity.

- Capital grants and contributions increased by \$756,783 primarily due to a write-off in the prior year of \$730,000 of federal aid previously recognized but deemed uncollectible related to the Mill River Road Revitalization capital project.
- Real property taxes increased by \$63,566 as the result of an increase to the tax levy.
- Non property taxes decreased by \$351,386 due to more timely real property tax collections.
- Other tax items decreased by \$970,084 due to sales of property taken over by in-rem foreclosure proceedings which occurred in the prior year.

For the fiscal year ended December 31, 2017, expenses from governmental activities totaled \$35,630,678. The largest components of governmental activities expenses are public safety \$12,815,240 (36%), culture and recreation \$5,406,896 (15%), transportation \$4,830,627 (14%), general government support \$4,664,654 (13%), home and community services \$4,049,297 (11%) and economic opportunity and development \$3,584,302 (10%). Expenses decreased from the prior year by \$1,415,147 or 3.8%, primarily as a result of a combination of the following factors:

- Public safety decreased by \$972,301 as a result of changes in personnel, contractual labor settlements and the effect of the recording of the Town's proportionate share of the net pension liability for the PFRS.
- Culture and recreation decreased by \$299,443, as a result of a decrease in program expense.
- Home and community services decreased by \$88,804 as a result of a decrease in personnel.

### **Business-type Activities**

Business-type activities decreased the Town's net position by \$72,219. Revenues from charges for services, which include the golf club, pool and tennis operations, were \$3,623,416. These revenues were lower than the prior year revenues of \$3,698,525 as a result of a modest drop in memberships. 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.

### **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 has resulted 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 \$14,317,793, an increase of \$251,803 compared to last years ending balance of \$14,065,990. The nonspendable fund balance component is \$2,032,517, consisting of amounts representing prepaid expenditures, advances and long-term receivables. Fund balance of \$1,081,550 is restricted for trusts, debt service, capital projects and the D.A.R.E. program. The assigned fund balance classification aggregates \$7,163,205, consisting primarily of amounts utilized to balance the fiscal 2017 budget (\$1,175,000 in the General Fund, \$1,500,000 in the Town Outside Villages Fund, \$350,000 in the Highway Fund, \$180,000 in the Special Districts Fund and \$50,000 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 (\$3,181,790 in the Town Outside Villages Fund, \$150,165 in the Highway Fund, \$8,083 in the Special Districts Fund, \$94,524 in the Public Library Fund and \$31,999 in the Section 8 Housing Fund). The remaining fund balance of \$4,040,521 is unassigned and represents the remaining positive fund balance in the General 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 \$4,040,521 representing 62% of the total General Fund balance of \$6,564,021. This is a decrease from the prior year, when the total fund balance was \$6,653,802. The property tax collection rate remained the same in 2017. Due to the ongoing, but improving, deficit occurring in the Lake Isle Enterprise Fund, amounts advanced by the General Fund of \$297,000 are not expected to be repaid within the next annual operating cycle and have 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 44.3% unassigned fund balance to total expenditures and other financing uses, up from 43.9% in the prior year.



Total fund balance decreased to approximately 72.0% of that same amount, down slightly from 75.0% in the prior year.

The fund balance of the General Fund decreased by \$89,781 during the fiscal year ended December 31, 2017. The decrease was due to the increased cost in employee health benefits.

The **Town Outside Villages Fund's** total fund balance at the end of the fiscal year was \$5,473,577, a decrease of \$239,801 from the previous year. Increases in tax certiorari claims and health insurance costs contributed to expenditures increasing by \$597,304 from the prior year. At the same time, revenues and other financing sources increased by \$527,501, primarily due to the issuance of serial bonds to finance tax certiorari obligations.

The **Highway Fund's** total fund balance at the end of the current fiscal year was \$671,878, a decrease of \$314,289 from the previous year. A harsher winter season resulted in increases in overtime and winter weather supply costs and an increase in health insurance cost.

The **Special Districts Fund's** total fund balance at the end of the current fiscal year was \$304,979, a decrease of \$105,045 from the previous year. This was primarily the result of an increase in the cost of repairs and maintenance to our aging equipment and the increase in the allowance for uncollectible amounts due to the dispute with the Eastchester Fire District over hydrant billing charges.

The **Capital Projects Fund** reflects a fund balance of \$853,447 at the end of the current fiscal year, an increase of \$1,070,152 from the previous year. Total revenues aggregated \$4,057,134, which included a serial bond of \$3,834,750. Capital outlay expenditures totaled \$2,986,183. These costs were primarily related to the Highway Equipment, Street Resurfacing and Sidewalks and Curb Replacement projects.

#### 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 \$3,476,153. Net investment in capital assets was \$4,342,614. The balance, an unrestricted deficit of \$866,461, must be financed by future operations or a tax levy subsidy. This unrestricted deficit decreased by \$125,365 from the prior year, primarily due to the increase in catering revenue due to the facility being renovated in the prior year. 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 \$7,803,727 and the final budget at \$7,999,302 a difference of \$195,575. This difference is attributable to an increase in the estimated budget for parks and recreation charges, due to greater demand.

The actual total revenues and other financing sources realized for the year ended December 31, 2017 exceeded the anticipated amount in the final budget by \$1,029,524. The largest component of this surplus was \$655,232 and was derived from better than expected state aid mortgage tax collections, \$139,666 from better than expected collections of interest and penalties on property taxes and \$110,014 in park and recreation charges due to higher than expected participation in various programs.

The actual total expenditures and other financing uses were a modest \$88,729, or 1.0%, less than the final budget.

## Capital Assets and Debt Administration

### Capital Assets

The Town's investment in capital assets for governmental and business-type activities at December 31, 2017, net of \$35,180,915 of accumulated depreciation, was \$27,800,413. 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 large dump truck for the Highway Department – \$110,000
- ❖ Purchase of a sanitation truck for the Highway Department – \$213,131
- ❖ Purchase of police vehicles – \$82,312
- ❖ Purchase of a leaf machine for the Highway Department – \$105,617
- ❖ Purchase of small dump truck for the Parks and Recreation Department – \$67,646

#### Capital Assets December 31, 2017

<u>Asset</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Land	\$ 3,443,327	\$ 3,465,000	\$ 6,908,327
Land improvements	6,632,908	-	6,632,908
Buildings and improvements	4,734,769	10,639,849	15,374,618
Infrastructure	16,093,273	-	16,093,273
Pool facilities	-	2,713,038	2,713,038
Machinery and equipment	8,307,274	1,539,574	9,846,848
Construction-in-progress	5,412,316	-	5,412,316
Less - accumulated depreciation	<u>(21,569,461)</u>	<u>(13,611,454)</u>	<u>(35,180,915)</u>
Total (net of depreciation)	<u>\$ 23,054,406</u>	<u>\$ 4,746,007</u>	<u>\$ 27,800,413</u>

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

### Long-term Debt

Moody's Investors Service, in 2017, reaffirmed the credit rating on all outstanding debt of the Town at Aaa.

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$12,932,169. 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 \$12,932,169 bonded debt outstanding at fiscal year-end, \$398,933 represented debt of the Lake Isle Enterprise Fund. The Town has budgeted for 2018 \$2,842,168 in serial bond principal to be paid within that budget period. Of this amount, \$159,366 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, 2017, the Town had exhausted 1.84% of its constitutional debt limit, and had the authority to issue an additional \$536,680,745 of general obligation long-term debt.

The Town anticipates a modest capital budget for 2018. 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 2017 level.

Additional information on the Town's long-term and short-term debt can be found in Notes 3E, F and H 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 4.2% as of December 2017. This compares favorably with the rate of 4.5% for New York State and with the 4.4% national unemployment rate. Real estate activity, particularly home financing and refinancing have started to show slight improvement in 2017, bringing the mortgage tax aid significantly up from the previous year. Town management was also aware that in 2017 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 2018 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.

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**BASIC FINANCIAL  
STATEMENTS**

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**Town of Eastchester, New York**

Statement of Net Position  
December 31, 2017

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and equivalents	\$ 37,430,848	\$ 6,221	\$ 37,437,069
Investments	5,318,148	-	5,318,148
Receivables			
Taxes, net	22,145,780	-	22,145,780
Accounts	543,935	-	543,935
State and Federal aid	15,608	-	15,608
Due from other governments	891,032	-	891,032
Prepaid expenses	946,923	40,270	987,193
Internal balances	799,525	(799,525)	-
Capital assets			
Not being depreciated	8,855,643	3,465,000	12,320,643
Being depreciated, net	14,198,763	1,281,007	15,479,770
Total Assets	<u>91,146,205</u>	<u>3,992,973</u>	<u>95,139,178</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amounts on refunding bonds	6,669	4,376	11,045
Deferred amounts on pensions	5,544,638	-	5,544,638
Total Deferred Outflows of Resources	<u>5,551,307</u>	<u>4,376</u>	<u>5,555,683</u>
<b>LIABILITIES</b>			
Accounts payable	1,156,931	65,086	1,222,017
Accrued liabilities	1,666,407	-	1,666,407
Accrued interest payable	119,692	4,731	124,423
Due to other governments	42,314,625	-	42,314,625
Unearned revenues	77,095	43,610	120,705
Noncurrent liabilities			
Due within one year	3,944,137	159,366	4,103,503
Due in more than one year	40,602,859	248,403	40,851,262
Total Liabilities	<u>89,881,746</u>	<u>521,196</u>	<u>90,402,942</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes collected in advance	5,117,013	-	5,117,013
Deferred amounts on pensions	1,134,552	-	1,134,552
Total Deferred Inflows of Resources	<u>6,251,565</u>	<u>-</u>	<u>6,251,565</u>
<b>NET POSITION</b>			
Net investment in capital assets	12,705,732	4,342,614	17,048,346
Restricted for			
Capital projects	241,215	-	241,215
Debt service	449,561	-	449,561
DARE	12,446	-	12,446
Section 8 Housing	31,999	-	31,999
Special purposes	215,657	-	215,657
Unrestricted	(13,092,409)	(866,461)	(13,958,870)
Total Net Position	<u>\$ 564,201</u>	<u>\$ 3,476,153</u>	<u>\$ 4,040,354</u>

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

**Town of Eastchester, New York**

Statement of Activities  
Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities</b>				
General government support	\$ 4,664,654	\$ 263,061	\$ -	\$ -
Public safety	12,815,240	1,940,568	199,141	7,390
Transportation	4,830,627	745,920	196,864	-
Economic opportunity and development	3,584,302	46,361	2,896,037	-
Culture and recreation	5,406,896	1,111,102	112,800	26,923
Home and community services	4,049,297	112,257	4,154	-
Interest	279,662	-	-	74,522
<b>Total Governmental Activities</b>	<b>35,630,678</b>	<b>4,219,269</b>	<b>3,408,996</b>	<b>108,835</b>
<b>Business-type activities</b>				
Lake Isle	3,695,717	3,623,416	-	-
<b>Total</b>	<b>\$ 39,326,395</b>	<b>\$ 7,842,685</b>	<b>\$ 3,408,996</b>	<b>\$ 108,835</b>

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

Ending

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



Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (4,401,593)	\$ -	\$ (4,401,593)
(10,668,141)	-	(10,668,141)
(3,887,843)	-	(3,887,843)
(641,904)	-	(641,904)
(4,156,071)	-	(4,156,071)
(3,932,886)	-	(3,932,886)
(205,140)	-	(205,140)
<u>(27,893,578)</u>	<u>-</u>	<u>(27,893,578)</u>
-	(72,301)	(72,301)
<u>(27,893,578)</u>	<u>(72,301)</u>	<u>(27,965,879)</u>
20,010,017	-	20,010,017
14,918	-	14,918
419,666	-	419,666
500,060	-	500,060
2,983,452	-	2,983,452
32,964	82	33,046
1,561,982	-	1,561,982
50,340	-	50,340
<u>25,573,399</u>	<u>82</u>	<u>25,573,481</u>
(2,320,179)	(72,219)	(2,392,398)
<u>2,884,380</u>	<u>3,548,372</u>	<u>6,432,752</u>
<u>\$ 564,201</u>	<u>\$ 3,476,153</u>	<u>\$ 4,040,354</u>

**Town of Eastchester, New York**

Balance Sheet  
 Governmental Funds  
 December 31, 2017

	General	Town Outside Villages	Highway
<b>ASSETS</b>			
Cash and equivalents	\$ 37,233,549	\$ 24,550	\$ -
Investments	1,089,387	-	-
Taxes receivable, net	22,145,780	-	-
Other receivables			
Accounts, net	118,950	279,582	55,773
State and Federal aid	-	15,608	-
Due from other governments	60,207	768,274	-
Due from other funds	325,590	4,415,394	1,328,337
Advances to other funds	297,000	277,200	52,800
	<u>801,747</u>	<u>5,756,058</u>	<u>1,436,910</u>
Prepaid expenditures	220,866	468,883	117,311
Total Assets	<u>\$ 61,491,329</u>	<u>\$ 6,249,491</u>	<u>\$ 1,554,221</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 699,372	\$ 83,561	\$ 119,989
Accrued liabilities	44,854	137,190	5,169
Due to other governments	42,314,625	-	-
Due to other funds	6,516,278	555,163	757,185
Unearned revenues	77,095	-	-
Total Liabilities	<u>49,652,224</u>	<u>775,914</u>	<u>882,343</u>
Deferred inflows of resources			
Deferred tax revenues	158,071	-	-
Taxes collected in advance	5,117,013	-	-
Total Deferred Inflows of Resources	<u>5,275,084</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>54,927,308</u>	<u>775,914</u>	<u>882,343</u>
Fund balances			
Nonspendable	1,306,460	468,883	117,311
Restricted	-	12,446	-
Assigned	1,217,040	4,992,248	554,567
Unassigned	4,040,521	-	-
Total Fund Balances	<u>6,564,021</u>	<u>5,473,577</u>	<u>671,878</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 61,491,329</u>	<u>\$ 6,249,491</u>	<u>\$ 1,554,221</u>

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

Special Districts	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ 85,461	\$ 86,948	\$ 37,430,508
-	-	-	1,089,387
-	-	-	22,145,780
1,454	81,494	6,682	543,935
-	-	-	15,608
62,551	-	-	891,032
752,296	1,087,474	370,786	8,279,877
33,000	-	-	660,000
849,301	1,168,968	377,468	10,390,452
82,844	-	57,019	946,923
<u>\$ 932,145</u>	<u>\$ 1,254,429</u>	<u>\$ 521,435</u>	<u>\$ 72,003,050</u>
\$ 186,806	\$ 1,200	\$ 36,188	\$ 1,127,116
1,539	-	12,584	201,336
-	-	-	42,314,625
438,821	399,782	22,772	8,690,001
-	-	-	77,095
627,166	400,982	71,544	52,410,173
-	-	-	158,071
-	-	-	5,117,013
-	-	-	5,275,084
627,166	400,982	71,544	57,685,257
82,844	-	57,019	2,032,517
-	853,447	215,657	1,081,550
222,135	-	177,215	7,163,205
-	-	-	4,040,521
304,979	853,447	449,891	14,317,793
<u>\$ 932,145</u>	<u>\$ 1,254,429</u>	<u>\$ 521,435</u>	<u>\$ 72,003,050</u>

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**Town of Eastchester, New York**

Reconciliation of Governmental Funds Balance Sheet to  
the Government-Wide Statement of Net Position - Governmental Activities  
December 31, 2017

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Fund Balances - Total Governmental Funds	<u>\$ 14,317,793</u>
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>23,054,406</u>
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension liabilities whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	4,410,086
Deferred amounts on refunding bonds	<u>6,669</u>
	<u>4,416,755</u>
Other long-term assets that are not available to pay for current period expenditures are reported as unearned in the funds.	
Real property taxes	<u>158,071</u>
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.	<u>159,699</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued liabilities	(1,465,071)
Accrued interest payable	(119,692)
Bonds payable	(12,548,436)
Compensated absences	(964,470)
Net pension liability	(5,340,890)
Other post employment benefit obligations payable	<u>(21,103,964)</u>
	<u>(41,542,523)</u>
Net Position of Governmental Activities	<u>\$ 564,201</u>

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, 2017

	General	Town Outside Villages	Highway
<b>REVENUES</b>			
Real property taxes	\$ 3,605,311	\$ 6,488,377	\$ 4,785,170
Other tax items	434,584	-	-
Non-property taxes	-	3,483,512	-
Departmental income	1,958,958	1,017,123	-
Intergovernmental charges	-	-	28,761
Use of money and property	143,230	33,191	10,066
Licenses and permits	-	-	123,788
Fines and forfeitures	945,438	-	-
State aid	1,477,923	252,100	166,609
Federal aid	104,962	-	-
Miscellaneous	288,498	95,600	18,594
<b>Total Revenues</b>	<b>8,958,904</b>	<b>11,369,903</b>	<b>5,132,988</b>
<b>EXPENDITURES</b>			
Current			
General government support	2,745,964	495,547	-
Public safety	340,808	6,723,830	-
Transportation	190,632	-	2,261,745
Economic opportunity and development	709,289	-	-
Culture and recreation	2,306,904	-	-
Home and community services	220,409	201,123	-
Employee benefits	2,118,756	4,403,024	1,520,127
Debt service			
Principal	422,107	245,098	1,439,496
Interest	49,371	35,565	165,576
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>9,104,240</b>	<b>12,104,187</b>	<b>5,386,944</b>
Deficiency of Revenues Over Expenditures	(145,336)	(734,284)	(253,956)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	69,922	512,983	-
Transfers in	-	-	-
Transfers out	(14,367)	(18,500)	(60,333)
<b>Total Other Financing Sources (Uses)</b>	<b>55,555</b>	<b>494,483</b>	<b>(60,333)</b>
<b>Net Change in Fund Balances</b>	<b>(89,781)</b>	<b>(239,801)</b>	<b>(314,289)</b>
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	6,653,802	5,713,378	986,167
End of Year	<u>\$ 6,564,021</u>	<u>\$ 5,473,577</u>	<u>\$ 671,878</u>

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

<u>Special Districts</u>	<u>Capital Projects</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 3,523,588	\$ -	\$ 1,654,078	\$ 20,056,524
-	-	-	434,584
-	-	-	3,483,512
94,957	-	20,713	3,091,751
-	-	-	28,761
115,749	228	2,595	305,059
-	-	-	123,788
-	-	-	945,438
-	19,813	6,272	1,922,717
-	-	2,648,048	2,753,010
402	88,794	104,769	596,657
<u>3,734,696</u>	<u>108,835</u>	<u>4,436,475</u>	<u>33,741,801</u>
-	-	-	3,241,511
-	-	-	7,064,638
350,660	-	-	2,803,037
-	-	2,655,850	3,365,139
-	-	1,162,964	3,469,868
2,280,173	-	-	2,701,705
1,015,998	-	650,613	9,708,518
167,727	-	24,357	2,298,785
20,695	-	6,574	277,781
-	2,986,183	-	2,986,183
<u>3,835,253</u>	<u>2,986,183</u>	<u>4,500,358</u>	<u>37,917,165</u>
<u>(100,557)</u>	<u>(2,877,348)</u>	<u>(63,883)</u>	<u>(4,175,364)</u>
9,512	3,834,750	-	4,427,167
-	113,549	-	113,549
<u>(14,000)</u>	<u>(799)</u>	<u>(5,550)</u>	<u>(113,549)</u>
<u>(4,488)</u>	<u>3,947,500</u>	<u>(5,550)</u>	<u>4,427,167</u>
(105,045)	1,070,152	(69,433)	251,803
<u>410,024</u>	<u>(216,705)</u>	<u>519,324</u>	<u>14,065,990</u>
<u>\$ 304,979</u>	<u>\$ 853,447</u>	<u>\$ 449,891</u>	<u>\$ 14,317,793</u>

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**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, 2017

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 251,803</u>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay expenditures	3,053,555
Depreciation expense	<u>(1,226,220)</u>
	<u>1,827,335</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>(46,507)</u>
<p>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 in the statement of activities.</p>	
Bonds issued	(4,427,167)
Principal paid on bonds	2,298,785
Amortization of loss on refunding bonds and issuance premium	<u>8,530</u>
	<u>(2,119,852)</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued liabilities	190,401
Accrued interest	(10,411)
Pension obligations	(873,251)
Compensated absences	97,226
Other post employment benefit obligations	<u>(1,743,029)</u>
	<u>(2,339,064)</u>
<p>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.</p>	
	<u>106,106</u>
Change in Net Position of Governmental Activities	<u>\$ (2,320,179)</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, 2017

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,566,883	\$ 3,566,883	\$ 3,605,311	\$ 38,428
Other tax items	290,000	290,000	434,584	144,584
Non-property taxes	-	-	-	-
Departmental income	1,633,800	1,829,375	1,958,958	129,583
Intergovernmental charges	-	-	-	-
Use of money and property	121,211	121,211	143,230	22,019
Licenses and permits	-	-	-	-
Fines and forfeitures	1,000,000	1,000,000	945,438	(54,562)
State aid	807,774	807,774	1,477,923	670,149
Federal aid	97,459	97,459	104,962	7,503
Miscellaneous	286,600	286,600	288,498	1,898
<b>Total Revenues</b>	<b>7,803,727</b>	<b>7,999,302</b>	<b>8,958,904</b>	<b>959,602</b>
<b>EXPENDITURES</b>				
Current				
General government support	2,764,020	2,798,741	2,745,964	52,777
Public safety	287,595	345,892	340,808	5,084
Transportation	190,632	190,632	190,632	-
Economic opportunity and development	738,079	717,236	709,289	7,947
Culture and recreation	2,223,078	2,326,335	2,306,904	19,431
Home and community services	219,209	220,415	220,409	6
Employee benefits	2,062,254	2,121,191	2,118,756	2,435
Debt service				
Principal	422,108	422,108	422,107	1
Interest	89,371	49,371	49,371	-
<b>Total Expenditures</b>	<b>8,996,346</b>	<b>9,191,921</b>	<b>9,104,240</b>	<b>87,681</b>
Deficiency of Revenues Over Expenditures	(1,192,619)	(1,192,619)	(145,336)	1,047,283
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	69,922	69,922
Transfers out	(15,415)	(15,415)	(14,367)	1,048
<b>Total Other Financing Sources (Uses)</b>	<b>(15,415)</b>	<b>(15,415)</b>	<b>55,555</b>	<b>70,970</b>
<b>Net Change in Fund Balances</b>	<b>(1,208,034)</b>	<b>(1,208,034)</b>	<b>(89,781)</b>	<b>1,118,253</b>
<b>FUND BALANCES</b>				
Beginning of Year	1,208,034	1,208,034	6,653,802	5,445,768
End of Year	\$ -	\$ -	\$ 6,564,021	\$ 6,564,021

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)
\$ 6,521,373	\$ 6,521,373	\$ 6,488,377	\$ (32,996)	\$ 4,785,170	\$ 4,785,170	\$ 4,785,170	\$ -
-	-	-	-	-	-	-	-
2,400,000	3,204,850	3,483,512	278,662	-	-	-	-
601,500	676,969	1,017,123	340,154	-	-	-	-
-	-	-	-	19,406	19,406	28,761	9,355
12,000	12,000	33,191	21,191	5,000	5,000	10,066	5,066
-	-	-	-	100,000	109,005	123,788	14,783
-	-	-	-	-	-	-	-
185,000	219,319	252,100	32,781	92,000	166,500	166,609	109
-	-	-	-	-	-	-	-
29,000	29,000	95,600	66,600	3,000	16,425	18,594	2,169
<u>9,748,873</u>	<u>10,663,511</u>	<u>11,369,903</u>	<u>706,392</u>	<u>5,004,576</u>	<u>5,101,506</u>	<u>5,132,988</u>	<u>31,482</u>
229,511	495,547	495,547	-	-	-	-	-
6,543,155	6,761,533	6,723,830	37,703	-	-	-	-
-	-	-	-	2,278,566	2,265,896	2,261,745	4,151
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
207,358	204,105	201,123	2,982	-	-	-	-
3,948,425	4,407,897	4,403,024	4,873	1,410,096	1,521,795	1,520,127	1,668
245,098	245,098	245,098	-	1,439,496	1,439,496	1,439,496	-
35,568	35,568	35,565	3	165,579	165,580	165,576	4
<u>11,209,115</u>	<u>12,149,748</u>	<u>12,104,187</u>	<u>45,561</u>	<u>5,293,737</u>	<u>5,392,767</u>	<u>5,386,944</u>	<u>5,823</u>
<u>(1,460,242)</u>	<u>(1,486,237)</u>	<u>(734,284)</u>	<u>751,953</u>	<u>(289,161)</u>	<u>(291,261)</u>	<u>(253,956)</u>	<u>37,305</u>
-	-	512,983	512,983	-	-	-	-
<u>(44,495)</u>	<u>(18,500)</u>	<u>(18,500)</u>	<u>-</u>	<u>(62,500)</u>	<u>(60,400)</u>	<u>(60,333)</u>	<u>67</u>
<u>(44,495)</u>	<u>(18,500)</u>	<u>494,483</u>	<u>512,983</u>	<u>(62,500)</u>	<u>(60,400)</u>	<u>(60,333)</u>	<u>67</u>
<u>(1,504,737)</u>	<u>(1,504,737)</u>	<u>(239,801)</u>	<u>1,264,936</u>	<u>(351,661)</u>	<u>(351,661)</u>	<u>(314,289)</u>	<u>37,372</u>
<u>1,504,737</u>	<u>1,504,737</u>	<u>5,713,378</u>	<u>4,208,641</u>	<u>351,661</u>	<u>351,661</u>	<u>986,167</u>	<u>634,506</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,473,577</u>	<u>\$ 5,473,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 671,878</u>	<u>\$ 671,878</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, 2017

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,523,588	\$ 3,523,588	\$ 3,523,588	\$ -
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	73,500	73,500	94,957	21,457
Intergovernmental charges	-	-	-	-
Use of money and property	112,550	112,550	115,749	3,199
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	-	-	402	402
<b>Total Revenues</b>	<b>3,709,638</b>	<b>3,709,638</b>	<b>3,734,696</b>	<b>25,058</b>
<b>EXPENDITURES</b>				
Current				
General government support	-	-	-	-
Public safety	-	-	-	-
Transportation	380,547	380,546	350,660	29,886
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	2,233,522	2,208,610	2,280,173	(71,563)
Employee benefits	1,078,536	1,103,448	1,015,998	87,450
Debt service				
Principal	167,726	167,727	167,727	-
Interest	20,698	20,698	20,695	3
<b>Total Expenditures</b>	<b>3,881,029</b>	<b>3,881,029</b>	<b>3,835,253</b>	<b>45,776</b>
Deficiency of Revenues Over Expenditures	(171,391)	(171,391)	(100,557)	70,834
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	9,512	9,512
Transfers out	(14,000)	(14,000)	(14,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(14,000)</b>	<b>(14,000)</b>	<b>(4,488)</b>	<b>9,512</b>
<b>Net Change in Fund Balances</b>	<b>(185,391)</b>	<b>(185,391)</b>	<b>(105,045)</b>	<b>80,346</b>
<b>FUND BALANCES</b>				
Beginning of Year	185,391	185,391	410,024	224,633
End of Year	\$ -	\$ -	\$ 304,979	\$ 304,979

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, 2017

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
<b>ASSETS</b>		
Current assets		
Cash and equivalents	\$ 6,221	\$ 340
Investments	-	4,228,761
Due from other funds	360,516	560,667
Prepaid expenses	40,270	-
Total Current Assets	<u>407,007</u>	<u>4,789,768</u>
Noncurrent assets		
Capital assets		
Land	3,465,000	-
Buildings and improvements	10,639,849	-
Pool facilities	2,713,038	-
Machinery and equipment	1,539,574	-
	18,357,461	-
Less - Accumulated depreciation	<u>(13,611,454)</u>	<u>-</u>
Total Noncurrent Assets	<u>4,746,007</u>	<u>-</u>
Total Assets	<u>5,153,014</u>	<u>4,789,768</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amounts on refunding bonds	<u>4,376</u>	<u>-</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	65,086	29,815
Accrued interest payable	4,731	-
Due to other funds	500,041	11,018
Advances from other funds	660,000	-
Unearned revenues	43,610	-
Current maturities of bonds payable	159,366	-
Current portion of claims payable	-	1,165,335
Total Current Liabilities	<u>1,432,834</u>	<u>1,206,168</u>
Noncurrent liabilities		
Bonds payable, less current maturities	248,403	-
Claims payable, less current portion	-	3,423,901
Total Noncurrent Liabilities	<u>248,403</u>	<u>3,423,901</u>
Total Liabilities	<u>1,681,237</u>	<u>4,630,069</u>
<b>NET POSITION</b>		
Net investment in capital assets:	4,342,614	-
Unrestricted	<u>(866,461)</u>	<u>159,699</u>
Total Net Position	<u>\$ 3,476,153</u>	<u>\$ 159,699</u>

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, 2017

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
<b>OPERATING REVENUES</b>		
Charges for services	\$ -	\$ 1,789,500
Membership fees	2,217,716	-
Guest fees	380,677	-
Cart rentals	302,194	-
Restaurant concessions	330,480	-
Tennis license fee	376,833	-
Other	15,516	186,946
	<u>3,623,416</u>	<u>1,976,446</u>
<b>OPERATING EXPENSES</b>		
Personal services	615,132	-
Employee benefits	91,879	1,310,233
Supplies	208,195	-
Utilities	270,034	-
Insurance	114,713	391,850
Contractual	1,903,486	95,396
Professional fees	8,000	-
Judgments and claims	483	103,818
Depreciation and amortization	471,787	-
	<u>3,683,709</u>	<u>1,901,297</u>
Total Operating Expenses	<u>3,683,709</u>	<u>1,901,297</u>
Income (Loss) from Operations	<u>(60,293)</u>	<u>75,149</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	82	30,957
Interest expense	(12,008)	-
	<u>(11,926)</u>	<u>30,957</u>
Total Non-Operating Revenues (Expenses)	<u>(11,926)</u>	<u>30,957</u>
Change in Net Position	(72,219)	106,106
<b>NET POSITION</b>		
Beginning of Year	<u>3,548,372</u>	<u>53,593</u>
End of Year	<u>\$ 3,476,153</u>	<u>\$ 159,699</u>

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, 2017

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Lake Isle	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and other	\$ -	\$ 1,816,266
Cash received from customers	3,757,941	-
Cash payments for goods and services	(2,759,322)	-
Cash payments to insurance carriers and claimants	-	(1,822,641)
Cash payments to employees	(707,011)	-
Net Cash from Operating Activities	<u>291,608</u>	<u>(6,375)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(202,987)	-
Principal paid on bonds	(141,215)	-
Bonds issued	145,000	-
Principal paid on bond anticipation note	(75,000)	-
Interest on indebtedness	(13,198)	-
Net Cash from Capital and Related Financing Activities	<u>(287,400)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	82	30,957
Purchase of investments	-	(4,228,761)
Sale of investments	-	4,204,179
Net Cash from Investing Activities	<u>82</u>	<u>6,375</u>
Net Change in Cash and Equivalents	4,290	-
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>1,931</u>	<u>340</u>
End of Year	<u>\$ 6,221</u>	<u>\$ 340</u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ (60,293)	\$ 75,149
Adjustments to reconcile income (loss) from operations to net cash from operating activities:		
Depreciation and amortization	471,787	-
Changes in operating assets and liabilities:		
Accounts receivable	135,000	-
Due from other funds	190,950	(433,760)
Prepaid expenses	(40,270)	-
Accounts payable	38,187	24,202
Due to other funds	(173,278)	(149,162)
Advances from other funds	(270,000)	-
Unearned revenues	(475)	-
Claims payable	-	477,196
Net Cash from Operating Activities	<u>\$ 291,608</u>	<u>\$ (6,375)</u>

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, 2017

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	<u>Agency</u>
<b>ASSETS</b>	
Accounts receivable	<u>\$ 277,646</u>
<b>LIABILITIES</b>	
Employee payroll deductions	\$ 10,965
Deposits	<u>266,681</u>
Total Liabilities	<u>\$ 277,646</u>

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



## **Town of Eastchester, New York**

Notes to Financial Statements  
December 31, 2017

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### **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:

## Town of Eastchester, New York

Notes to Financial Statements (Continued)  
December 31, 2017

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### **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.

**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. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. 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, net pension liability, 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.

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.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

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

**Investments** - 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.

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

The Town participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. 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, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30<sup>th</sup>. At June 30, 2017, the percentage of fair values to total pool assets by investment type are as follows:

<u>Asset Category</u>	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Other Unobservable Inputs (Level 3)</u>	<u>Other (Cost)</u>
Cash	27%	0%	0%	0%	27%
Repurchase agreements	25%	0%	25%	0%	0%
U.S. Government Treasury Securities	48%	0%	48%	0%	0%
<b>Total</b>	<b>100%</b>	<b>0%</b>	<b>73%</b>	<b>0%</b>	<b>27%</b>

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

The maximum maturity for any specific investment in the portfolio is 397 days. 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.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 999 18<sup>th</sup> Street, Suite 1230, Denver, CO 80202.

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2017.

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

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

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

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

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, 2017, 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 General Fund to indicate that the funds are not "available" for appropriation and are not expendable available financial resources. The advances are offset by assigned fund balance in funds other than the General Fund based on the limitations placed on the use of the proceeds arising from the collection of these funds.

**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.

**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 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 acquisition value at the date of donation.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the 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 back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The 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.

**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 \$49,480 for parking permit fees and \$27,615 for Town clerk fees received in advance in the General 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.



## Town of Eastchester, New York

Notes to Financial Statements (Continued)  
December 31, 2017

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

The Town has reported deferred outflows of resources of \$6,669 and \$4,376 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 also reported deferred inflows of resources of \$158,071 for real property taxes not expected to be collected within the first sixty days of the subsequent fiscal year and \$5,117,013 of taxes collected in advance in the General Fund. Those amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

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

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on 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, Section 8 housing and special purposes. The balance is classified as unrestricted.

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

**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 delegated to 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 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.

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

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 generally 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 27, 2018.

**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.

## Town of Eastchester, New York

Notes to Financial Statements (Continued)  
December 31, 2017

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

- 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.

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. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

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

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 Department of Labor with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that 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 \$1,738,713 at December 31, 2017. 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 Water District sub-fund in the Special Districts Fund reflects a deficit of \$401,376 at December 31, 2017 as a result of a dispute with the fire district. The Town will address this deficit in the ensuing year.

**D. Capital Projects Fund Deficits**

The deficits in various individual projects arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

**A. Taxes Receivable**

Taxes receivable at December 31, 2017 consisted of the following:

Town taxes - Current	\$ 270,373
School districts taxes - Current	21,165,848
Overdue taxes	749,179
Property acquired for taxes	<u>4,299</u>
	22,189,699
Less - Allowance for uncollectible taxes	<u>(43,919)</u>
	<u>\$ 22,145,780</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2018. Town taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$158,071, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year. County and school district taxes receivable of \$788,594 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.

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

The composition of interfund balances at December 31, 2017 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 325,590	\$ 6,516,278
Town Outside Villages	4,415,394	555,163
Highway	1,328,337	757,185
Special Districts	752,296	438,821
Capital Projects	1,087,474	399,782
Non-Major Governmental Funds	370,786	22,772
Lake Isle	360,516	500,041
Workers' Compensation Benefits	33,398	11,018
General Liability Claims	<u>527,269</u>	<u>-</u>
	<u>\$ 9,201,060</u>	<u>\$ 9,201,060</u>

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

Fund	Advances To	Advances From
General	\$ 297,000	\$ -
Town Outside Villages	277,200	-
Highway	52,800	-
Special Districts	33,000	-
Lake Isle	-	660,000
	<u>\$ 660,000</u>	<u>\$ 660,000</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, 2017	Additions	Deletions	Balance December 31, 2017
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 3,443,327	\$ -	\$ -	\$ 3,443,327
Construction-in-progress	5,463,114	72,129	122,927	5,412,316
Total Capital Assets, not being Depreciated	<u>\$ 8,906,441</u>	<u>\$ 72,129</u>	<u>\$ 122,927</u>	<u>\$ 8,855,643</u>
Capital Assets, being depreciated:				
Land improvements	\$ 4,650,615	\$ 1,982,293	\$ -	\$ 6,632,908
Buildings and improvements	4,299,152	435,617	-	4,734,769
Infrastructure	16,093,273	-	-	16,093,273
Machinery and equipment	7,720,304	686,443	99,473	8,307,274
Total Capital Assets, being Depreciated	<u>32,763,344</u>	<u>3,104,353</u>	<u>99,473</u>	<u>35,768,224</u>
Less Accumulated Depreciation for:				
Land improvements	2,063,766	235,317	-	2,299,083
Buildings and improvements	2,240,407	157,400	-	2,397,807
Infrastructure	10,275,731	413,567	-	10,689,298
Machinery and equipment	5,862,810	419,936	99,473	6,183,273
Total Accumulated Depreciation	<u>20,442,714</u>	<u>1,226,220</u>	<u>99,473</u>	<u>21,569,461</u>
Total Capital Assets, being Depreciated, net	<u>\$ 12,320,630</u>	<u>\$ 1,878,133</u>	<u>\$ -</u>	<u>\$ 14,198,763</u>
Governmental Activities				
Capital Assets, net	<u>\$ 21,227,071</u>	<u>\$ 1,950,262</u>	<u>\$ 122,927</u>	<u>\$ 23,054,406</u>

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

Class	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
<b>Business-Type Activities:</b>				
Capital Assets, not being depreciated -				
Land	\$ 3,465,000	\$ -	\$ -	\$ 3,465,000
Capital Assets, being depreciated:				
Buildings and improvements	\$ 10,489,849	\$ 150,000	\$ -	\$ 10,639,849
Pool facilities	2,713,038	-	-	2,713,038
Machinery and equipment	1,486,587	52,987	-	1,539,574
Total Capital Assets, being Depreciated	14,689,474	202,987	-	14,892,461
Less Accumulated Depreciation for:				
Buildings and improvements	9,081,547	433,071	-	9,514,618
Pool facilities	2,591,593	21,734	-	2,613,327
Machinery and equipment	1,462,067	21,442	-	1,483,509
Total Accumulated Depreciation	13,135,207	476,247	-	13,611,454
Total Capital Assets, being Depreciated, net	\$ 1,554,267	\$ (273,260)	\$ -	\$ 1,281,007
Business-type Activities				
Capital Assets, net	\$ 5,019,267	\$ (273,260)	\$ -	\$ 4,746,007

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

<b>Governmental Activities:</b>	
General Government Support	\$ 122,385
Public Safety	87,112
Transportation	628,503
Economic Opportunity and Development	11,719
Culture and Recreation	226,824
Home and Community Services	149,677
Total Depreciation Expense - Governmental Activities	\$ 1,226,220
Business-type Activities -	
Lake Isle	\$ 476,247



**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

**D. Accrued Liabilities**

Accrued liabilities at December 31, 2017 were as follows:

	Fund					Total
	General	Town Outside Villages	Highway	Special Districts	Non-Major Governmental	
Adjustment to Next Year's Tax Levy	\$ 42,737	\$ 7,043	\$ -	\$ -	\$ -	\$ 49,780
Payroll and Employee Benefits	2,117	130,147	5,169	1,539	12,584	151,556
	<u>\$ 44,854</u>	<u>\$ 137,190</u>	<u>\$ 5,169</u>	<u>\$ 1,539</u>	<u>\$ 12,584</u>	<u>\$ 201,336</u>

**E. 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.

Type	Original Issue Date	Maturity Date	Interest Rate	Balance January 1, 2017	New Issues	Redemptions	Balance December 31, 2017
Bond Anticipation Notes	08/04/16	08/04/17	2.00 %	\$ 146,021	\$ -	\$ 146,021	\$ -

Interest expenditures of \$1,637 for the bond anticipation notes were recorded in the fund financial statements in the funds identified below.

Fund	Amount
General	\$ 68
Town Outside Villages	1,569
	<u>\$ 1,637</u>

**F. 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, 2017	New Issues	Redemptions	Balance December 31, 2017
<b>Governmental Activities:</b>							
Capital Projects Fund - Various Capital Projects	2016	8/4/17	2.00 %	\$ 1,345,500	\$ -	\$ 1,345,500	\$ -
<b>Business-Type Activities:</b>							
Lake Isle Enterprise Fund - Various Capital Projects	2016	8/4/17	2.00	75,000	-	75,000	-
				<u>\$ 1,420,500</u>	<u>\$ -</u>	<u>\$ 1,420,500</u>	<u>\$ -</u>

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

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

Interest expenditures of \$10,744 for the bond anticipation notes were recorded in the fund financial statements in the funds identified below. Interest expense of \$200 was recorded in the government-wide financial statements for governmental activities.

<u>Fund</u>	<u>Amount</u>
General	\$ 572
Town Outside Village	423
Highway	7,346
Library	660
Special Districts	<u>1,743</u>
	<u>\$ 10,744</u>

**G. 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.

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

	<u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance - Beginning of Year	\$ 1,655,472	\$ 535,449
Provision for Claims and Claims Adjustment Expenses	4,888,342	4,730,936
Claims and Claims Adjustment Expenses Paid	<u>(5,078,743)</u>	<u>(3,610,913)</u>
Balance - End of Year	<u>\$ 1,465,071</u>	<u>\$ 1,655,472</u>

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

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)

December 31, 2017

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

**H. Long-Term Liabilities**

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2017:

	Balance January 1, 2017	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2017	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Capital Construction	\$ 8,893,736	\$ 3,834,750	\$ 2,021,592	\$ 10,706,894	\$ 2,356,715
Judgments and Claims	1,511,118	592,417	277,193	1,826,342	326,087
	<u>10,404,854</u>	<u>4,427,167</u>	<u>2,298,785</u>	<u>12,533,236</u>	<u>2,682,802</u>
Plus unamortized premium on bonds	30,399	-	15,199	15,200	-
	<u>10,435,253</u>	<u>4,427,167</u>	<u>2,313,984</u>	<u>12,548,436</u>	<u>2,682,802</u>
Other Non-current Liabilities:					
Compensated Absences	1,061,696	8,774	106,000	964,470	96,000
Net Pension Liability	8,576,659	-	3,235,769	5,340,890	-
Claims Payable	4,112,040	1,414,051	936,855	4,589,236	1,165,335
Other Post Employment Benefit Obligations Payable	19,360,935	3,098,808	1,355,779	21,103,964	-
Total Other Non- Current Liabilities	<u>33,111,330</u>	<u>4,521,633</u>	<u>5,634,403</u>	<u>31,998,560</u>	<u>1,261,335</u>
Governmental Activities Long-Term Liabilities	<u>\$ 43,546,583</u>	<u>\$ 8,948,800</u>	<u>\$ 7,948,387</u>	<u>\$ 44,546,996</u>	<u>\$ 3,944,137</u>
Business - Type Activities:					
Bonds Payable -					
Capital Construction	\$ 395,148	\$ 145,000	\$ 141,215	\$ 398,933	\$ 159,366
Plus unamortized premium on bonds	17,672	-	8,836	8,836	-
Business - Type Activities Long-Term Liabilities	<u>\$ 412,820</u>	<u>\$ 145,000</u>	<u>\$ 150,051</u>	<u>\$ 407,769</u>	<u>\$ 159,366</u>

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

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

**Bonds Payable**

Bonds payable at December 31, 2017 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2017
Public Improvements and Tax Certiorari Improvements at Lake Isle	2006	\$ 4,423,604	June 2019	4.0 %	\$ 858,414
Public Improvements and Tax Certiorari Improvements at Lake Isle	2006	59,700	June 2019	4.0	11,586
Public Improvements and Tax Certiorari Improvements at Lake Isle	2008	6,511,153	May 2018	3.07	760,071
Public Improvements and Tax Certiorari Improvements at Lake Isle	2008	127,904	May 2018	3.07	14,929
Refunding - Public Improvements and Tax Certiorari	2010	1,276,133	February 2018	5.0	205,094
Refunding - Improvements at Lake Isle	2010	683,867	February 2018	5.0	109,907
Public Improvements and Tax Certiorari Improvements at Lake Isle	2011	2,279,744	March 2020	2.000-2.375	809,477
Public Improvements and Tax Certiorari Improvements at Lake Isle	2011	43,735	March 2020	2.000-2.375	15,524
Public Improvements and Tax Certiorari Improvements at Lake Isle	2013	3,837,932	July 2022	2.0-3.0	2,187,257
Public Improvements and Tax Certiorari Improvements at Lake Isle	2013	75,000	July 2022	2.0-3.0	42,743
Public Improvements and Tax Certiorari Improvements at Lake Isle	2015	3,882,286	July 2027	2.0-2.5	3,285,756
Public Improvements and Tax Certiorari Improvements at Lake Isle	2015	70,000	July 2027	2.0-2.5	59,244
Public Improvements and Tax Certiorari Improvements at Lake Isle	2017	4,427,167	August 2030	2.0-2.45	4,427,167
Public Improvements and Tax Certiorari Improvements at Lake Isle	2017	145,000	August 2030	2.0-2.45	145,000
					<u>\$ 12,932,169</u>

Interest expenditures/expense of \$277,408 were recorded in the fund financial statements in the following funds.

<u>Fund</u>	<u>Amount</u>
Governmental Funds:	
General	\$ 48,731
Town Outside Villages	33,573
Highway	158,230
Special Districts	18,952
Non-Major Governmental	<u>5,914</u>
	265,400
Enterprise Fund - Lake Isle	<u>12,008</u>
	<u>\$ 277,408</u>

Interest expense of \$279,462 and \$12,008 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, 2017

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

**Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2017 including interest payments of \$1,450,195 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 2,682,802	\$ 287,399	\$ 159,366	\$ 9,222	\$ 2,842,168	\$ 296,621
2019	1,759,665	227,526	35,335	5,432	1,795,000	232,958
2020	1,340,162	188,143	29,838	4,627	1,370,000	192,770
2021	1,084,987	159,208	25,013	3,988	1,110,000	163,196
2022	1,099,715	131,474	25,286	3,372	1,125,001	134,846
2023-2027	3,447,535	364,985	87,465	10,015	3,535,000	375,000
2028-2030	1,118,370	53,067	36,630	1,737	1,155,000	54,804
	<u>\$ 12,533,236</u>	<u>\$ 1,411,802</u>	<u>\$ 398,933</u>	<u>\$ 38,393</u>	<u>\$ 12,932,169</u>	<u>\$ 1,450,195</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 earned during the year is generally taken in the year earned. However, with permission, certain employees may carryover vacation leave to the following year.

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.

**Pension Plans**

*New York State and Local Retirement System*

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") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is

## Town of Eastchester, New York

Notes to Financial Statements (Continued)  
December 31, 2017

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

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2017 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	15.7 %
	4 A15	15.7
	5 A15	12.9
	6 A15	9.2
PFRS	2 384D	24.0 %
	5 384D	19.4
	6 384D	14.4

At December 31, 2017, the Town reported a liability of \$2,234,564 for its proportionate share of the net pension liability of ERS and a liability of \$3,106,326 for its proportionate share of the net pension liability of PFRS. The net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2017, the Town's proportion was .0237815% for ERS and .1498720% for PFRS which was a decrease of .0014787% for ERS and a decrease of .0028686% for PFRS, from its proportion measured as of March 31, 2016.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)

December 31, 2017

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

For the year ended December 31, 2017, the Town recognized pension expense in the government-wide financial statements of \$1,311,333 for ERS and \$1,785,044 for PFRS. Pension expenditures of \$1,019,032 for ERS and \$1,204,096 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 423,826	\$ -
Town Outside Villages	57,785	1,204,096
Highway	216,364	-
Special Districts	202,919	-
Library	118,138	-
<b>Total</b>	<b><u>\$ 1,019,032</u></b>	<b><u>\$ 1,204,096</u></b>

At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>PFRS</u>		<u>Total</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 55,996	\$ 339,331	\$ 407,496	\$ 536,704	\$ 463,492	\$ 876,035
Changes of assumptions	763,409	-	1,530,356	-	2,293,765	-
Net difference between projected and actual earnings on pension plan investments	446,333	-	463,925	-	910,258	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	196,929	66,817	5,956	191,700	202,885	258,517
Town contributions subsequent to the measurement date	764,255	-	909,983	-	1,674,238	-
	<u>\$ 2,226,922</u>	<u>\$ 406,148</u>	<u>\$ 3,317,716</u>	<u>\$ 728,404</u>	<u>\$ 5,544,638</u>	<u>\$ 1,134,552</u>

\$764,255 and \$909,983 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	<u>ERS</u>	<u>PFRS</u>
2018	\$ 461,642	\$ 573,829
2019	461,642	573,829
2020	423,456	539,203
2021	(290,221)	(67,868)
2022	-	60,336

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

The total pension liability for the March 31, 2017 measurement date was determined by using an actuarial valuation as of April 1, 2016, with update procedures used to roll forward the total pension liabilities to March 31, 2017. Significant actuarial assumptions used in the April 1, 2016 valuation were as follows:

Inflation	2.5%
Salary scale	3.8% in ERS, 4.5% in PFRS indexed by service
Investment rate of return	7.0% compounded annually, net of investment expenses, including inflation
Cost of living adjustments	1.3% annually

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

The actuarial assumptions used in the April 1, 2016 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.75
Real Estate	10	5.80
Absolute Return Strategies	2	4.00
Opportunistic Portfolio	3	5.89
Real Assets	3	5.54
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at



**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 7,136,754</u>	<u>\$ 2,234,564</u>	<u>\$ (1,910,229)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 8,806,254</u>	<u>\$ 3,106,326</u>	<u>\$ (1,674,518)</u>

The components of the collective net pension liability as of the March 31, 2017 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 177,400,586,000	\$ 31,670,483,000	\$ 209,071,069,000
Fiduciary net position	<u>168,004,363,000</u>	<u>29,597,831,000</u>	<u>197,602,194,000</u>
Employers' net pension liability	<u>\$ 9,396,223,000</u>	<u>\$ 2,072,652,000</u>	<u>\$ 11,468,875,000</u>
Fiduciary net position as a percentage of total pension liability	<u>94.7%</u>	<u>93.5%</u>	<u>94.5%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2017 represent the employer contribution for the period of April 1, 2017 through December 31, 2017 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2017 were \$764,255 and \$909,983, respectively.

*Voluntary Defined Contribution Plan*

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

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

**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,			
	2017		2016	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 2,771,138	\$ 1,340,902	\$ 2,893,592	\$ 1,090,854
Provision for Claims and Claims Adjustment Expenses	1,310,233	103,818	716,002	592,296
Claims and Claims Adjustments Expenses Paid	(668,188)	(268,667)	(838,456)	(342,248)
Balance - End of Year	<u>\$ 3,413,183</u>	<u>\$ 1,176,053</u>	<u>\$ 2,771,138</u>	<u>\$ 1,340,902</u>
Current Portion	<u>\$ 942,234</u>	<u>\$ 223,101</u>	<u>\$ 774,493</u>	<u>\$ 232,561</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. Separate financial statements are not issued by the plan.

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.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

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:

Healthcare Cost Trend Rate Assumption					
Year Ended December 31,	Pre-65 Medical		Post-65 Medical		Prescription Drug
2018	7.250	%	6.250	%	10.500 %
2019	7.000		6.000		10.250
2020	6.750		5.750		10.250
2021	6.500		5.500		10.000
2022+	3.886-6.237		3.886-5.404		3.886-9.154

The amortization basis is the level dollar method with an open amortization approach with 20 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.

The number of participants as of December 31, 2017 was as follows:

	Governmental Activities
Active Employees	141
Retired Employees	108
	<u>249</u>

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

Amortization Component:	
Actuarial Accrued Liability as of January 1, 2017	\$ 37,292,994
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 37,292,994</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 12,317,146</u>
UAAL as a Percentage of Covered Payroll	<u>302.77%</u>
Annual Required Contribution	\$ 3,444,016
Interest on Net OPEB Obligation	774,436
Adjustment to Annual Required Contribution	<u>(1,119,644)</u>
Annual OPEB Cost	3,098,808
Contributions Made	<u>(1,355,779)</u>
Increase in Net OPEB Obligation	1,743,029
Net OPEB Obligation - Beginning of Year	<u>19,360,935</u>
Net OPEB Obligation - End of Year	<u>\$ 21,103,964</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:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2017	\$ 3,098,808	43.8 %	\$ 21,103,964
2016	4,736,946	31.2	19,360,935
2015	4,564,712	29.2	16,104,284

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.

**I. 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, 2017, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

General Fund	\$ 42,040
Town Outside Villages Fund	33,258
Highway Fund	1,602
Special Districts Fund	1,052
Non-Major Governmental Funds	<u>692</u>
Total	<u>\$ 78,644</u>

**J. 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>
General Fund	\$ 14,367
Town Outside Villages Fund	18,500
Highway Fund	60,333
Special Districts Fund	14,000
Capital Projects Fund	799
Non-Major Governmental Funds	<u>5,550</u>
Total	<u>\$ 113,549</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures. Transfers are also used to move amounts within the Capital Projects Fund between different projects.

**K. 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.

**Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

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

*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 Section 8 Housing* - The component of net position that reports the difference between assets and liabilities of the Section 8 Housing Fund which is used to account for resources received and used for housing assistance payment purposes.

*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, 2017

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

**L. Fund Balances**

	2017						2016							
	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
<b>Nonspendable:</b>														
Prepaid expenditures	\$ 220,866	\$ 468,883	\$ 117,311	\$ 82,844	\$ -	\$ 57,019	\$ 946,923	\$ 215,417	\$ 452,023	\$ 110,712	\$ 85,345	\$ -	\$ 57,599	\$ 921,096
Advances	297,000	-	-	-	-	-	297,000	418,500	-	-	-	-	-	418,500
Long-term receivables	788,594	-	-	-	-	-	788,594	920,292	-	-	-	-	-	920,292
<b>Total Nonspendable</b>	<b>1,306,460</b>	<b>468,883</b>	<b>117,311</b>	<b>82,844</b>	<b>-</b>	<b>57,019</b>	<b>2,032,517</b>	<b>1,554,209</b>	<b>452,023</b>	<b>110,712</b>	<b>85,345</b>	<b>-</b>	<b>57,599</b>	<b>2,259,888</b>
<b>Restricted:</b>														
D.A.R.E.	-	12,446	-	-	-	-	12,446	-	11,236	-	-	-	-	11,236
Debt service	-	-	-	-	449,561	-	449,561	-	-	-	-	374,240	-	374,240
Capital projects	-	-	-	-	403,886	-	403,886	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	215,657	215,657	-	-	-	-	-	174,240	174,240
<b>Total Restricted</b>	<b>-</b>	<b>12,446</b>	<b>-</b>	<b>-</b>	<b>853,447</b>	<b>215,657</b>	<b>1,081,550</b>	<b>-</b>	<b>11,236</b>	<b>-</b>	<b>-</b>	<b>374,240</b>	<b>174,240</b>	<b>559,716</b>
<b>Assigned:</b>														
<b>Purchases on order:</b>														
General government support	39,828	-	-	-	-	-	39,828	30,740	-	-	-	-	-	30,740
Public safety	-	28,691	-	-	-	-	28,691	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-	2,966	2,966
Home and community services	-	-	-	-	-	-	-	-	-	-	4,300	-	-	4,300
Employee benefits	2,212	4,567	1,602	1,052	-	692	10,125	2,294	4,737	1,661	1,091	-	717	10,500
	42,040	33,258	1,602	1,052	-	692	78,644	33,034	4,737	1,661	5,391	-	3,683	48,506
<b>For subsequent year's expenditures</b>	<b>1,175,000</b>	<b>1,500,000</b>	<b>350,000</b>	<b>180,000</b>	<b>-</b>	<b>50,000</b>	<b>3,255,000</b>	<b>1,175,000</b>	<b>1,500,000</b>	<b>350,000</b>	<b>180,000</b>	<b>-</b>	<b>50,000</b>	<b>3,255,000</b>
Advances	-	277,200	52,800	33,000	-	-	363,000	-	390,600	74,400	46,500	-	-	511,500
Major funds	-	3,181,790	150,165	8,083	-	-	3,340,038	-	3,354,782	449,394	92,788	-	-	3,896,964
<b>Non-major funds:</b>														
Public Library	-	-	-	-	-	94,524	94,524	-	-	-	-	-	202,126	202,126
Section 8 Housing	-	-	-	-	-	31,999	31,999	-	-	-	-	-	31,676	31,676
<b>Total Assigned</b>	<b>1,217,040</b>	<b>4,992,248</b>	<b>554,567</b>	<b>222,135</b>	<b>-</b>	<b>177,215</b>	<b>7,163,205</b>	<b>1,208,034</b>	<b>5,250,119</b>	<b>875,455</b>	<b>324,679</b>	<b>-</b>	<b>287,485</b>	<b>7,945,772</b>
<b>Unassigned</b>	<b>4,040,521</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,040,521</b>	<b>3,891,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(590,945)</b>	<b>-</b>	<b>3,300,614</b>
<b>Total Fund Balances</b>	<b>\$ 6,564,021</b>	<b>\$ 5,473,577</b>	<b>\$ 671,878</b>	<b>\$ 304,979</b>	<b>\$ 853,447</b>	<b>\$ 449,891</b>	<b>\$ 14,317,793</b>	<b>\$ 6,653,802</b>	<b>\$ 5,713,378</b>	<b>\$ 986,167</b>	<b>\$ 410,024</b>	<b>\$ (216,705)</b>	<b>\$ 519,324</b>	<b>\$ 14,065,990</b>

## **Town of Eastchester, New York**

Notes to Financial Statements (Continued)  
December 31, 2017

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

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

Prepaid Expenditures has been established to account for retirement 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 amounts are classified in the General Fund as nonspendable to indicate that these funds do not represent "available" spendable resources even though they are a component of current assets. The amounts are classified as assigned in funds other than the General Fund based on the limitations placed on the use of the proceeds arising from the collection of these funds.

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, 2017, 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.

### **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 2017-18 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 \$750,000 for police per occurrence for the 2017-18 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 Uniform Guidance. 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.

**Note 5- Tax Abatements**

The Town has real property tax abatement agreements exempt under Real Property Tax Law and General Municipal Law. However, the total value of the tax abatement agreements for the year ended December 31, 2017 aggregated less than \$15,000 and, therefore, detail information has been excluded from these financial statements.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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**Town of Eastchester, New York**

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

Valuation Date	Actuarial		Unfunded Actuarial Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2015	\$ -	\$ 50,568,101	\$ 50,568,101	- %	\$ 12,616,262	400.82 %
January 1, 2016 (1)	-	56,486,033	56,486,033	-	12,465,296	453.15
January 1, 2017 (2)	-	37,292,994	37,292,994	-	12,317,146	302.77

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

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

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

(2) The following assumptions were modified with respect to the January 1, 2017 valuation date:

The election percentage, for all ERS retirees and for PFRS retirees younger than age 65, was revised from 100% to 95% as of January 1, 2017 to better reflect actual experience. A review of valuation data from January 1, 2009 through January 1, 2017 was the basis for this change. The revised assumption resulted in a decrease in liabilities.

The spousal coverage percentage was revised from 80% to 75% as of January 1, 2017 to better reflect actual experience. A review of valuations from January 1, 2009 through January 1, 2017 was the basis for this change. The revised assumption resulted in a decrease in liabilities.

The annual rate of increase in healthcare costs was revised as of January 1, 2017 to better reflect future expectations, including updating long-term rates based on the Society of Actuaries Long-Term Healthcare Cost Trends Model 2018 (the Getzen Model). A review of published national trend survey data in relation to the retiree health plan offerings was the basis for this change. The revised assumption resulted in a decrease in liabilities.

The mortality assumption was revised as of January 1, 2017 to the sex-distinct RP-2014 mortality tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2017 mortality improvement scale on a generational basis in order to reflect the most recent experience available. The revised assumption resulted in a decrease in liabilities.

See independent auditors' report.

**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016 (2)</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.0237815%</u>	<u>0.0252602%</u>	<u>0.0260315%</u>
Town's proportionate share of the net pension liability	<u>\$ 2,234,564</u>	<u>\$ 4,054,336</u>	<u>\$ 879,409</u>
Town's covered payroll	<u>\$ 6,851,215</u>	<u>\$ 6,898,516</u>	<u>\$ 7,013,821</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>32.62%</u>	<u>58.77%</u>	<u>12.54%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

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

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

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

See independent auditors' report.

**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,019,007	\$ 1,048,559	\$ 1,298,751
Contributions in relation to the contractually required contribution	<u>(1,019,007)</u>	<u>(1,048,559)</u>	<u>(1,298,751)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 6,909,724</u>	<u>\$ 6,847,169</u>	<u>\$ 7,085,262</u>
Contributions as a percentage of covered payroll	<u>14.75%</u>	<u>15.31%</u>	<u>18.33%</u>

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

See independent auditors' report.

**Town of Eastchester, New York**

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

	2017	2016 (2)	2015
Town's proportion of the net pension liability	<u>0.1498720%</u>	<u>0.1527406%</u>	<u>0.1509538%</u>
Town's proportionate share of the net pension liability	<u>\$ 3,106,326</u>	<u>\$ 4,522,323</u>	<u>\$ 415,515</u>
Town's covered payroll	<u>\$ 5,451,537</u>	<u>\$ 5,360,772</u>	<u>\$ 4,990,498</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>56.98%</u>	<u>84.36%</u>	<u>8.33%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

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

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

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

See independent auditors' report.



**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,213,311	\$ 1,176,445	\$ 1,037,004
Contributions in relation to the contractually required contribution	<u>(1,213,311)</u>	<u>(1,176,445)</u>	<u>(1,037,004)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 5,399,688</u>	<u>\$ 5,502,252</u>	<u>\$ 5,331,094</u>
Contributions as a percentage of covered payroll	<u>22.47%</u>	<u>21.38%</u>	<u>19.45%</u>

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

See independent auditors' report.

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## 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.

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**Town of Eastchester, New York**

General Fund  
 Comparative Balance Sheet  
 December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 37,233,549	\$ 14,254,861
Investments	<u>1,089,387</u>	<u>9,482,238</u>
Taxes receivable		
Town taxes	270,373	375,443
School districts taxes	21,165,848	29,784,756
Overdue taxes	749,179	803,150
Property acquired for taxes	<u>4,299</u>	<u>4,299</u>
	22,189,699	30,967,648
Allowance for uncollectible taxes	<u>(43,919)</u>	<u>(40,585)</u>
	<u>22,145,780</u>	<u>30,927,063</u>
Other receivables		
Accounts	118,950	73,356
Due from other governments	60,207	170,346
Due from other funds	325,590	1,058,541
Advances to other funds	<u>297,000</u>	<u>418,500</u>
	<u>801,747</u>	<u>1,720,743</u>
Prepaid expenditures	<u>220,866</u>	<u>215,417</u>
Total Assets	<u>\$ 61,491,329</u>	<u>\$ 56,600,322</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 699,372	\$ 555,026
Accrued liabilities	44,854	60,939
Due to other governments	42,314,625	41,424,213
Due to other funds	6,516,278	7,616,731
Unearned revenues	77,095	68,971
Bond anticipation notes payable	<u>-</u>	<u>16,062</u>
Total Liabilities	<u>49,652,224</u>	<u>49,741,942</u>
Deferred inflows of resources		
Deferred tax revenues	158,071	204,578
Taxes collected in advance	<u>5,117,013</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>5,275,084</u>	<u>204,578</u>
Total Liabilities and Deferred Inflows of Resources	<u>54,927,308</u>	<u>49,946,520</u>
Fund balance		
Nonspendable	1,306,460	1,554,209
Assigned	1,217,040	1,208,034
Unassigned	<u>4,040,521</u>	<u>3,891,559</u>
Total Fund Balance	<u>6,564,021</u>	<u>6,653,802</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 61,491,329</u>	<u>\$ 56,600,322</u>

See independent auditors' report.

**Town of Eastchester, New York**

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

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,566,883	\$ 3,566,883	\$ 3,605,311	\$ 38,428
Other tax items	290,000	290,000	434,584	144,584
Departmental income	1,633,800	1,829,375	1,958,958	129,583
Use of money and property	121,211	121,211	143,230	22,019
Fines and forfeitures	1,000,000	1,000,000	945,438	(54,562)
State aid	807,774	807,774	1,477,923	670,149
Federal aid	97,459	97,459	104,962	7,503
Miscellaneous	286,600	286,600	288,498	1,898
<b>Total Revenues</b>	<b>7,803,727</b>	<b>7,999,302</b>	<b>8,958,904</b>	<b>959,602</b>
<b>EXPENDITURES</b>				
Current				
General government support	2,764,020	2,798,741	2,745,964	52,777
Public safety	287,595	345,892	340,808	5,084
Transportation	190,632	190,632	190,632	-
Economic opportunity and development	738,079	717,236	709,289	7,947
Culture and recreation	2,223,078	2,326,335	2,306,904	19,431
Home and community services	219,209	220,415	220,409	6
Employee benefits	2,062,254	2,121,191	2,118,756	2,435
Debt service				
Principal	422,108	422,108	422,107	1
Interest	89,371	49,371	49,371	-
<b>Total Expenditures</b>	<b>8,996,346</b>	<b>9,191,921</b>	<b>9,104,240</b>	<b>87,681</b>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,192,619)</u>	<u>(1,192,619)</u>	<u>(145,336)</u>	<u>1,047,283</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	69,922	69,922
Transfers out	(15,415)	(15,415)	(14,367)	1,048
<b>Total Other Financing Sources (Uses)</b>	<b>(15,415)</b>	<b>(15,415)</b>	<b>55,555</b>	<b>70,970</b>
<b>Net Change in Fund Balance</b>	<b>(1,208,034)</b>	<b>(1,208,034)</b>	<b>(89,781)</b>	<b>1,118,253</b>
<b>FUND BALANCE</b>				
Beginning of Year	1,208,034	1,208,034	6,653,802	5,445,768
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,564,021</u>	<u>\$ 6,564,021</u>

See independent auditors' report.

2016

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,495,299	\$ 3,495,299	\$ 3,635,371	\$ 140,072
285,000	285,000	1,404,668	1,119,668
1,622,300	1,799,634	2,232,196	432,562
119,470	119,470	136,272	16,802
1,000,000	1,000,000	1,005,617	5,617
812,774	812,774	1,299,431	486,657
116,109	116,109	94,220	(21,889)
256,000	256,001	345,151	89,150
<u>7,706,952</u>	<u>7,884,287</u>	<u>10,152,926</u>	<u>2,268,639</u>
2,708,636	2,770,069	2,715,450	54,619
286,975	336,274	328,061	8,213
188,423	189,108	189,108	-
728,363	701,766	694,115	7,651
2,201,494	2,382,112	2,336,019	46,093
226,934	235,262	232,070	3,192
1,976,598	1,920,167	1,903,397	16,770
409,160	409,160	409,157	3
102,835	62,835	62,835	-
<u>8,829,418</u>	<u>9,006,753</u>	<u>8,870,212</u>	<u>136,541</u>
<u>(1,122,466)</u>	<u>(1,122,466)</u>	<u>1,282,714</u>	<u>2,405,180</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>(1,122,466)</u>	<u>(1,122,466)</u>	<u>1,282,714</u>	<u>2,405,180</u>
<u>1,122,466</u>	<u>1,122,466</u>	<u>5,371,088</u>	<u>4,248,622</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,653,802</u>	<u>\$ 6,653,802</u>

**Town of Eastchester, New York**

General Fund  
 Schedule of Revenues and Other Financing Sources Compared to Budget  
 Year Ended December 31, 2017  
 (With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>REAL PROPERTY TAXES</b>	\$ 3,566,883	\$ 3,566,883	\$ 3,605,311	\$ 38,428	\$ 3,635,371
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	10,000	10,000	14,918	4,918	14,417
Interest and penalties on real property taxes	280,000	280,000	419,666	139,666	437,658
Gain on sale of tax acquired property	-	-	-	-	952,593
	<u>290,000</u>	<u>290,000</u>	<u>434,584</u>	<u>144,584</u>	<u>1,404,668</u>
<b>DEPARTMENTAL INCOME</b>					
Town Clerk fees	200,000	200,000	228,837	28,837	454,652
Nutrition participant contributions	54,000	54,000	46,361	(7,639)	56,903
Parking lot fees and on-street parking	595,000	595,000	593,371	(1,629)	649,802
Park and recreation charges	784,800	980,375	1,090,389	110,014	1,070,839
	<u>1,633,800</u>	<u>1,829,375</u>	<u>1,958,958</u>	<u>129,583</u>	<u>2,232,196</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	10,000	10,000	32,964	22,964	26,803
Rental of real property	111,211	111,211	110,266	(945)	109,469
	<u>121,211</u>	<u>121,211</u>	<u>143,230</u>	<u>22,019</u>	<u>136,272</u>
<b>FINES AND FORFEITURES</b>					
Fines and forfeited bail	1,000,000	1,000,000	945,438	(54,562)	1,005,617



**STATE AID**

Mortgage tax	725,000	725,000	1,380,232	655,232	1,210,979
Community services - Aging	29,860	29,860	53,347	23,487	45,907
Supplemental Nutrition Assistance Program	37,914	37,914	38,294	380	36,881
Division for Youth	5,000	5,000	6,050	1,050	5,664
Miscellaneous	10,000	10,000	-	(10,000)	-
	<u>807,774</u>	<u>807,774</u>	<u>1,477,923</u>	<u>670,149</u>	<u>1,299,431</u>

**FEDERAL AID**

Title III-B	7,247	7,247	7,649	402	9,141
Title IIIC-1 and IIIC-2	72,575	72,575	77,570	4,995	65,320
Commodity funding	17,637	17,637	19,743	2,106	19,759
	<u>97,459</u>	<u>97,459</u>	<u>104,962</u>	<u>7,503</u>	<u>94,220</u>

**MISCELLANEOUS**

Section 8 Fund reimbursement	200,000	200,000	194,060	(5,940)	232,156
Community fund allocation	44,500	44,500	44,500	-	44,500
Medicare Part D reimbursement	5,000	5,000	5,391	391	7,217
Refund of prior year's expenditures	-	-	-	-	13,302
Unclassified	37,100	37,100	44,547	7,447	47,976
	<u>286,600</u>	<u>286,600</u>	<u>288,498</u>	<u>1,898</u>	<u>345,151</u>

**TOTAL REVENUES**

	7,803,727	7,999,302	8,958,904	959,602	10,152,926
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**OTHER FINANCING SOURCES**

Bonds issued	-	-	69,922	69,922	-
	<u>-</u>	<u>-</u>	<u>69,922</u>	<u>69,922</u>	<u>-</u>

**TOTAL REVENUES AND  
OTHER FINANCING SOURCES**

	<u>\$ 7,803,727</u>	<u>\$ 7,999,302</u>	<u>\$ 9,028,826</u>	<u>\$ 1,029,524</u>	<u>\$ 10,152,926</u>
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See independent auditors' report.

**Town of Eastchester, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2017

(With Comparative Actuals for 2016)

74

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 67,724	\$ 67,819	\$ 67,585	\$ 234	\$ 67,323
Town Justice	483,149	468,813	465,298	3,515	460,549
Supervisor	214,535	211,135	211,069	66	210,482
Comptroller	236,293	252,942	251,534	1,408	235,487
Printing	59,550	38,850	37,835	1,015	40,096
Receiver of Taxes	182,149	179,256	179,074	182	180,806
Computer	279,935	276,891	236,431	40,460	231,368
Assessor	225,381	259,047	257,101	1,946	205,945
Town Clerk	148,549	144,160	142,989	1,171	136,897
Law	344,907	361,836	361,491	345	437,918
Elections	36,460	38,874	38,874	-	37,889
Central telephone	48,000	48,000	47,036	964	47,407
Special items					
Municipal association dues	2,250	2,250	2,250	-	2,250
Interfund charges	110,000	110,000	110,000	-	110,000
Taxes on Town properties	75,000	58,200	58,126	74	57,601
Labor negotiations	70,000	20,000	19,382	618	38,338
C.A.P. allocation	15,852	15,852	15,852	-	15,852
E.V.A.C. utility subsidy	15,000	15,925	15,925	-	14,128
Judgments and claims	-	42,466	42,465	1	29,606
Unallocated insurance	118,536	118,536	118,535	1	114,660
Contractual services	16,000	53,139	53,139	-	27,135
Metropolitan commuter transportation mobility tax	14,750	14,750	13,973	777	13,713
	<u>2,764,020</u>	<u>2,798,741</u>	<u>2,745,964</u>	<u>52,777</u>	<u>2,715,450</u>

**PUBLIC SAFETY**

Traffic control	116,346	116,312	116,217	95	111,459
Emergency control	18,000	18,000	16,042	1,958	15,874
Parking	71,500	108,748	106,769	1,979	98,484
Greyrock commuter lot	81,749	102,832	101,780	1,052	102,244

	<u>287,595</u>	<u>345,892</u>	<u>340,808</u>	<u>5,084</u>	<u>328,061</u>
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**TRANSPORTATION**

Superintendent of Highways	<u>190,632</u>	<u>190,632</u>	<u>190,632</u>	<u>-</u>	<u>189,108</u>
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**ECONOMIC OPPORTUNITY  
AND DEVELOPMENT**

Programs for the aging	<u>738,079</u>	<u>717,236</u>	<u>709,289</u>	<u>7,947</u>	<u>694,115</u>
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**CULTURE AND RECREATION**

Recreation and parks	2,200,178	2,301,435	2,282,004	19,431	2,311,119
Youth services	<u>22,900</u>	<u>24,900</u>	<u>24,900</u>	<u>-</u>	<u>24,900</u>

	<u>2,223,078</u>	<u>2,326,335</u>	<u>2,306,904</u>	<u>19,431</u>	<u>2,336,019</u>
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**HOME AND COMMUNITY SERVICES**

Community development	<u>219,209</u>	<u>220,415</u>	<u>220,409</u>	<u>6</u>	<u>232,070</u>
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**EMPLOYEE BENEFITS**

State retirement	575,000	424,000	423,826	174	447,559
Social security	320,000	284,300	284,251	49	275,678
Hospitalization, medical and dental insurance	1,002,294	1,246,480	1,244,268	2,212	1,023,636
Workers' compensation	163,960	163,960	163,960	-	155,960
Unemployment benefits	<u>1,000</u>	<u>2,451</u>	<u>2,451</u>	<u>-</u>	<u>564</u>

	<u>2,062,254</u>	<u>2,121,191</u>	<u>2,118,756</u>	<u>2,435</u>	<u>1,903,397</u>
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(Continued)

**Town of Eastchester, New York**

General Fund

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

Year Ended December 31, 2017

(With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	\$ 422,108	\$ 422,108	\$ 422,107	\$ 1	\$ 409,157
Interest					
Serial bonds	48,731	48,731	48,731	-	62,835
Bond anticipation notes	640	640	640	-	-
Tax anticipation notes	40,000	-	-	-	-
	<u>89,371</u>	<u>49,371</u>	<u>49,371</u>	<u>-</u>	<u>62,835</u>
	<u>511,479</u>	<u>471,479</u>	<u>471,478</u>	<u>1</u>	<u>471,992</u>
<b>TOTAL EXPENDITURES</b>	8,996,346	9,191,921	9,104,240	87,681	8,870,212
<b>OTHER FINANCING USES</b>					
Transfers out					
Capital Projects Fund	15,415	15,415	14,367	1,048	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 9,011,761</u>	<u>\$ 9,207,336</u>	<u>\$ 9,118,607</u>	<u>\$ 88,729</u>	<u>\$ 8,870,212</u>

See independent auditors' report.

**Town of Eastchester, New York**

Town Outside Villages Fund  
 Comparative Balance Sheet  
 December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 24,550	\$ 24,322
Receivables		
Accounts	279,582	288,833
State and Federal aid	15,608	7,465
Due from other governments	768,274	754,490
Due from other funds	4,415,394	4,593,907
Advances to other funds	277,200	390,600
	<u>5,756,058</u>	<u>6,035,295</u>
Prepaid expenditures	<u>468,883</u>	<u>452,023</u>
Total Assets	<u>\$ 6,249,491</u>	<u>\$ 6,511,640</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 83,561	\$ 27,152
Accrued liabilities	137,190	20,528
Due to other funds	555,163	620,623
Bond anticipation notes payable	-	129,959
Total Liabilities	<u>775,914</u>	<u>798,262</u>
Fund balance		
Nonspendable	468,883	452,023
Restricted	12,446	11,236
Assigned	4,992,248	5,250,119
Total Fund Balance	<u>5,473,577</u>	<u>5,713,378</u>
Total Liabilities and Fund Balance	<u>\$ 6,249,491</u>	<u>\$ 6,511,640</u>

See independent auditors' report.

**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,

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 6,521,373	\$ 6,521,373	\$ 6,488,377	\$ (32,996)
Non-property taxes	2,400,000	3,204,850	3,483,512	278,662
Departmental income	601,500	676,969	1,017,123	340,154
Use of money and property	12,000	12,000	33,191	21,191
State aid	185,000	219,319	252,100	32,781
Miscellaneous	29,000	29,000	95,600	66,600
<b>Total Revenues</b>	<b>9,748,873</b>	<b>10,663,511</b>	<b>11,369,903</b>	<b>706,392</b>
<b>EXPENDITURES</b>				
Current				
General government support	229,511	495,547	495,547	-
Public safety	6,543,155	6,761,533	6,723,830	37,703
Home and community services	207,358	204,105	201,123	2,982
Employee benefits	3,948,425	4,407,897	4,403,024	4,873
Debt service				
Principal	245,098	245,098	245,098	-
Interest	35,568	35,568	35,565	3
<b>Total Expenditures</b>	<b>11,209,115</b>	<b>12,149,748</b>	<b>12,104,187</b>	<b>45,561</b>
Deficiency of Revenues Over Expenditures	(1,460,242)	(1,486,237)	(734,284)	751,953
<b>OTHER FINANCING SOURCES</b>				
Bonds issued	-	-	512,983	512,983
Transfers out	(44,495)	(18,500)	(18,500)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(44,495)</b>	<b>(18,500)</b>	<b>494,483</b>	<b>512,983</b>
<b>Net Change in Fund Balance</b>	<b>(1,504,737)</b>	<b>(1,504,737)</b>	<b>(239,801)</b>	<b>1,264,936</b>
<b>FUND BALANCE</b>				
Beginning of Year	1,504,737	1,504,737	5,713,378	4,208,641
End of Year	\$ -	\$ -	\$ 5,473,577	\$ 5,473,577

See independent auditors' report.

2016

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,479,072	\$ 6,479,072	\$ 6,441,606	\$ (37,466)
2,375,000	2,375,000	3,334,838	959,838
601,500	747,731	1,284,577	536,846
12,000	12,000	22,058	10,058
185,000	185,000	209,659	24,659
8,000	9,000	62,647	53,647
<u>9,660,572</u>	<u>9,807,803</u>	<u>11,355,385</u>	<u>1,547,582</u>
223,136	358,280	358,279	1
6,621,647	6,722,841	6,679,840	43,001
205,671	201,402	196,181	5,221
3,833,571	4,124,289	3,992,661	131,628
240,615	240,615	240,612	3
39,315	39,315	39,310	5
<u>11,163,955</u>	<u>11,686,742</u>	<u>11,506,883</u>	<u>179,859</u>
<u>(1,503,383)</u>	<u>(1,878,939)</u>	<u>(151,498)</u>	<u>1,727,441</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>(1,503,383)</u>	<u>(1,878,939)</u>	<u>(151,498)</u>	<u>1,727,441</u>
<u>1,503,383</u>	<u>1,878,939</u>	<u>5,864,876</u>	<u>3,985,937</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,713,378</u>	<u>\$ 5,713,378</u>

**Town of Eastchester, New York**

Town Outside Villages Fund  
 Schedule of Revenues and Other Financing Sources Compared to Budget  
 Year Ended December 31, 2017  
 (With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>REAL PROPERTY TAXES</b>	\$ 6,521,373	\$ 6,521,373	\$ 6,488,377	\$ (32,996)	\$ 6,441,606
<b>NON-PROPERTY TAXES</b>					
Franchise fees	400,000	400,000	500,060	100,060	479,686
Non-property tax distribution from County	2,000,000	2,804,850	2,983,452	178,602	2,855,152
	<u>2,400,000</u>	<u>3,204,850</u>	<u>3,483,512</u>	<u>278,662</u>	<u>3,334,838</u>
<b>DEPARTMENTAL INCOME</b>					
Police fees	115,000	120,469	194,512	74,043	327,448
Safety inspection fees	475,000	545,000	800,618	255,618	935,799
Emergency tenant protection act	5,000	5,000	4,693	(307)	4,745
Zoning fees	3,500	3,500	7,950	4,450	6,185
Planning Board fees	3,000	3,000	9,350	6,350	10,400
	<u>601,500</u>	<u>676,969</u>	<u>1,017,123</u>	<u>340,154</u>	<u>1,284,577</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	12,000	12,000	33,191	21,191	22,058
<b>STATE AID</b>					
Per capita	160,000	160,000	181,750	21,750	181,750
Public safety	25,000	59,319	70,350	11,031	27,909
	<u>185,000</u>	<u>219,319</u>	<u>252,100</u>	<u>32,781</u>	<u>209,659</u>



**MISCELLANEOUS**

Donations - DARE	7,000	7,000	8,000	1,000	7,000
Medicare Part D reimbursement	20,000	20,000	14,065	(5,935)	24,521
Unclassified	2,000	2,000	73,535	71,535	31,126
	<u>29,000</u>	<u>29,000</u>	<u>95,600</u>	<u>66,600</u>	<u>62,647</u>

**TOTAL REVENUES**

9,748,873	10,663,511	11,369,903	706,392	11,355,385
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**OTHER FINANCING SOURCES**

Bonds issued	-	-	512,983	512,983	-
	<u>-</u>	<u>-</u>	<u>512,983</u>	<u>512,983</u>	<u>-</u>

**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

<u>\$ 9,748,873</u>	<u>\$ 10,663,511</u>	<u>\$ 11,882,886</u>	<u>\$ 1,219,375</u>	<u>\$ 11,355,385</u>
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**Town of Eastchester, New York**

Town Outside Villages Fund  
 Schedule of Expenditures and Other Financing Uses Compared to Budget  
 Year Ended December 31, 2017  
 (With Comparative Actuals for 2016)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2016 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Special items					
Judgments and claims	\$ 10,000	\$ 275,566	\$ 275,566	\$ -	\$ 144,473
Emergency tenant protection act	5,000	3,600	3,600	-	3,620
Unallocated insurance	195,011	195,011	195,011	-	188,636
Metropolitan commuter transportation mobility tax	19,500	21,370	21,370	-	21,550
	<u>229,511</u>	<u>495,547</u>	<u>495,547</u>	<u>-</u>	<u>358,279</u>
<b>PUBLIC SAFETY</b>					
Police	6,110,613	6,287,491	6,252,922	34,569	6,246,291
DARE	7,000	7,000	7,000	-	7,166
Animal control	11,800	11,300	10,970	330	11,310
Safety inspection	361,236	418,836	416,711	2,125	379,238
Emergency control	15,506	15,506	15,506	-	15,199
Cable television	37,000	21,400	20,721	679	20,636
	<u>6,543,155</u>	<u>6,761,533</u>	<u>6,723,830</u>	<u>37,703</u>	<u>6,679,840</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Zoning Board of Appeals	79,641	78,141	76,559	1,582	75,372
Planning Board	127,717	125,964	124,564	1,400	120,809
	<u>207,358</u>	<u>204,105</u>	<u>201,123</u>	<u>2,982</u>	<u>196,181</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	1,375,000	1,262,000	1,261,881	119	1,230,737
Policemen's local pension funds	1,800	1,800	1,800	-	1,800
Social security	495,000	443,525	443,431	94	434,285
Workers' compensation	276,683	276,683	276,682	1	263,183
Unemployment benefits	5,000	250	242	8	-
Health and dental insurance	1,729,737	2,364,434	2,359,866	4,568	1,999,203
Welfare plan	65,205	59,205	59,122	83	63,453
	<u>3,948,425</u>	<u>4,407,897</u>	<u>4,403,024</u>	<u>4,873</u>	<u>3,992,661</u>

**DEBT SERVICE**

## Principal

Serial bonds

245,098	245,098	245,098	-	240,612
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## Interest

Serial bonds

33,573	33,573	33,573	-	39,310
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Bond anticipation notes

1,995	1,995	1,992	3	-
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<u>35,568</u>	<u>35,568</u>	<u>35,565</u>	<u>3</u>	<u>39,310</u>
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<u>280,666</u>	<u>280,666</u>	<u>280,663</u>	<u>3</u>	<u>279,922</u>
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**TOTAL EXPENDITURES**

11,209,115	12,149,748	12,104,187	45,561	11,506,883
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**OTHER FINANCING USES**

## Transfers out

Capital Projects Fund

44,495	18,500	18,500	-	-
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**TOTAL EXPENDITURES AND OTHER FINANCING USES**

<u>\$ 11,253,610</u>	<u>\$ 12,168,248</u>	<u>\$ 12,122,687</u>	<u>\$ 45,561</u>	<u>\$ 11,506,883</u>
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See independent auditors' report.

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**Town of Eastchester, New York**

Highway Fund  
Comparative Balance Sheet  
December 31, 2017 and 2016

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	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Receivables		
Accounts	\$ 55,773	\$ 17,375
Due from other governments	-	1,329
Due from other funds	1,328,337	1,556,882
Advances to other funds	<u>52,800</u>	<u>74,400</u>
	1,436,910	1,649,986
Prepaid expenditures	<u>117,311</u>	<u>110,712</u>
Total Assets	<u>\$ 1,554,221</u>	<u>\$ 1,760,698</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 119,989	\$ 65,675
Accrued liabilities	5,169	10,951
Due to other funds	<u>757,185</u>	<u>697,905</u>
Total Liabilities	<u>882,343</u>	<u>774,531</u>
Fund balance		
Nonspendable	117,311	110,712
Assigned	<u>554,567</u>	<u>875,455</u>
Total Fund Balance	<u>671,878</u>	<u>986,167</u>
Total Liabilities and Fund Balance	<u>\$ 1,554,221</u>	<u>\$ 1,760,698</u>

See independent auditors' report.

**Town of Eastchester, New York**

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

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 4,785,170	\$ 4,785,170	\$ 4,785,170	\$ -
Intergovernmental charges	19,406	19,406	28,761	9,355
Use of money and property	5,000	5,000	10,066	5,066
Licenses and permits	100,000	109,005	123,788	14,783
State aid	92,000	166,500	166,609	109
Miscellaneous	3,000	16,425	18,594	2,169
<b>Total Revenues</b>	<u>5,004,576</u>	<u>5,101,506</u>	<u>5,132,988</u>	<u>31,482</u>
<b>EXPENDITURES</b>				
Current				
Transportation	<u>2,278,566</u>	<u>2,265,896</u>	<u>2,261,745</u>	<u>4,151</u>
Employee benefits	<u>1,410,096</u>	<u>1,521,795</u>	<u>1,520,127</u>	<u>1,668</u>
Debt service				
Principal				
Serial bonds	<u>1,439,496</u>	<u>1,439,496</u>	<u>1,439,496</u>	<u>-</u>
Interest				
Serial bonds	158,229	158,230	158,230	-
Bond anticipation notes	<u>7,350</u>	<u>7,350</u>	<u>7,346</u>	<u>4</u>
	<u>165,579</u>	<u>165,580</u>	<u>165,576</u>	<u>4</u>
<b>Total Expenditures</b>	<u>5,293,737</u>	<u>5,392,767</u>	<u>5,386,944</u>	<u>5,823</u>
Deficiency of Revenues Over Expenditures	(289,161)	(291,261)	(253,956)	37,305
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(62,500)</u>	<u>(60,400)</u>	<u>(60,333)</u>	<u>67</u>
<b>Net Change in Fund Balance</b>	<u>(351,661)</u>	<u>(351,661)</u>	<u>(314,289)</u>	<u>37,372</u>
<b>FUND BALANCE</b>				
Beginning of Year	<u>351,661</u>	<u>351,661</u>	<u>986,167</u>	<u>634,506</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 671,878</u>	<u>\$ 671,878</u>

See independent auditors' report.

2016			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,796,198	\$ 4,796,198	\$ 4,796,198	\$ -
19,406	19,406	54,547	35,141
5,000	5,000	7,917	2,917
-	-	2,593	2,593
92,000	92,000	143,965	51,965
-	-	15,383	15,383
<u>4,912,604</u>	<u>4,912,604</u>	<u>5,020,603</u>	<u>107,999</u>
<u>2,350,617</u>	<u>2,294,025</u>	<u>2,170,322</u>	<u>123,703</u>
<u>1,309,622</u>	<u>1,366,214</u>	<u>1,299,279</u>	<u>66,935</u>
<u>1,407,125</u>	<u>1,407,125</u>	<u>1,407,122</u>	<u>3</u>
198,035	198,035	198,033	2
-	-	-	-
<u>198,035</u>	<u>198,035</u>	<u>198,033</u>	<u>2</u>
<u>5,265,399</u>	<u>5,265,399</u>	<u>5,074,756</u>	<u>190,643</u>
(352,795)	(352,795)	(54,153)	298,642
-	-	-	-
<u>(352,795)</u>	<u>(352,795)</u>	<u>(54,153)</u>	<u>298,642</u>
<u>352,795</u>	<u>352,795</u>	<u>1,040,320</u>	<u>687,525</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 986,167</u>	<u>\$ 986,167</u>

**Town of Eastchester, New York**

Special Districts Fund  
 Combining Balance Sheet - Sub-Funds  
 December 31, 2017  
 (With Comparative Totals for 2016)

	Sewer District	Water District	Refuse District
<b>ASSETS</b>			
Receivables			
Accounts, net of allowance for uncollectible amounts of \$502,357 in 2017 and \$342,398 in 2016	\$ -	\$ -	\$ 1,454
Due from other governments	-	-	62,551
Due from other funds	76,061	-	464,893
Advances to other funds	-	-	33,000
	<u>76,061</u>	<u>-</u>	<u>561,898</u>
Prepaid expenditures	<u>15,578</u>	<u>-</u>	<u>67,266</u>
Total Assets	<u>\$ 91,639</u>	<u>\$ -</u>	<u>\$ 629,164</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 1,299	\$ 46,076	\$ 110,322
Accrued liabilities	974	-	565
Due to other funds	9,061	355,300	55,570
Total Liabilities	<u>11,334</u>	<u>401,376</u>	<u>166,457</u>
Fund balances (deficits)			
Nonspendable	15,578	-	67,266
Assigned	64,727	(401,376)	395,441
Total Fund Balances (Deficits)	<u>80,305</u>	<u>(401,376)</u>	<u>462,707</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 91,639</u>	<u>\$ -</u>	<u>\$ 629,164</u>

See independent auditors' report.



Lighting District	Parking District	Totals	
		2017	2016
\$ -	\$ -	\$ 1,454	\$ 1,414
-	-	62,551	47,923
188,109	23,233	752,296	741,435
-	-	33,000	46,500
188,109	23,233	849,301	837,272
-	-	82,844	85,345
<u>\$ 188,109</u>	<u>\$ 23,233</u>	<u>\$ 932,145</u>	<u>\$ 922,617</u>
\$ 25,063	\$ 4,046	\$ 186,806	\$ 199,192
-	-	1,539	952
18,890	-	438,821	312,449
43,953	4,046	627,166	512,593
-	-	82,844	85,345
144,156	19,187	222,135	324,679
144,156	19,187	304,979	410,024
<u>\$ 188,109</u>	<u>\$ 23,233</u>	<u>\$ 932,145</u>	<u>\$ 922,617</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, 2017  
 (With Comparative Totals for 2016)

	Sewer District	Water District	Refuse District
<b>REVENUES</b>			
Real property taxes	\$ 328,404	\$ 450,000	\$ 2,361,572
Departmental income	-	-	94,957
Use of money and property	692	-	113,462
Miscellaneous	402	-	-
Total Revenues	<u>329,498</u>	<u>450,000</u>	<u>2,569,991</u>
<b>EXPENDITURES</b>			
Current			
Transportation	-	-	-
Home and community services	204,211	574,281	1,501,681
Employee benefits	168,190	-	847,808
Debt service			
Principal			
Serial bonds	25,604	-	134,601
Interest			
Serial bonds	1,485	-	16,624
Bond anticipation notes	-	-	1,743
	<u>1,485</u>	<u>-</u>	<u>18,367</u>
Total Expenditures	<u>399,490</u>	<u>574,281</u>	<u>2,502,457</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(69,992)</u>	<u>(124,281)</u>	<u>67,534</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	-	-	-
Transfers out	-	-	(14,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(14,000)</u>
Net Change in Fund Balances	(69,992)	(124,281)	53,534
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	<u>150,297</u>	<u>(277,095)</u>	<u>409,173</u>
End of Year	<u>\$ 80,305</u>	<u>\$ (401,376)</u>	<u>\$ 462,707</u>

See independent auditors' report.

Lighting District	Parking District	Totals	
		2017	2016
\$ 258,750	\$ 124,862	\$ 3,523,588	\$ 3,443,127
-	-	94,957	81,768
1,478	117	115,749	114,301
-	-	402	551
<u>260,228</u>	<u>124,979</u>	<u>3,734,696</u>	<u>3,639,747</u>
<u>234,133</u>	<u>116,527</u>	<u>350,660</u>	<u>351,398</u>
<u>-</u>	<u>-</u>	<u>2,280,173</u>	<u>2,274,147</u>
<u>-</u>	<u>-</u>	<u>1,015,998</u>	<u>959,010</u>
<u>-</u>	<u>7,522</u>	<u>167,727</u>	<u>164,351</u>
<u>-</u>	<u>843</u>	<u>18,952</u>	<u>23,315</u>
<u>-</u>	<u>-</u>	<u>1,743</u>	<u>-</u>
<u>-</u>	<u>843</u>	<u>20,695</u>	<u>23,315</u>
<u>234,133</u>	<u>124,892</u>	<u>3,835,253</u>	<u>3,772,221</u>
<u>26,095</u>	<u>87</u>	<u>(100,557)</u>	<u>(132,474)</u>
<u>-</u>	<u>9,512</u>	<u>9,512</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(14,000)</u>	<u>-</u>
<u>-</u>	<u>9,512</u>	<u>(4,488)</u>	<u>-</u>
<u>26,095</u>	<u>9,599</u>	<u>(105,045)</u>	<u>(132,474)</u>
<u>118,061</u>	<u>9,588</u>	<u>410,024</u>	<u>542,498</u>
<u>\$ 144,156</u>	<u>\$ 19,187</u>	<u>\$ 304,979</u>	<u>\$ 410,024</u>

**Town of Eastchester, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 85,461	\$ 128,968
Receivables		
Accounts	81,494	56,350
Due from other funds	<u>1,087,474</u>	<u>1,487,427</u>
	<u>1,168,968</u>	<u>1,543,777</u>
Total Assets	<u>\$ 1,254,429</u>	<u>\$ 1,672,745</u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 1,200	\$ 84,749
Due to other funds	399,782	459,201
Bond anticipation notes payable	<u>-</u>	<u>1,345,500</u>
Total Liabilities	<u>400,982</u>	<u>1,889,450</u>
Fund balance (deficit)		
Restricted	853,447	374,240
Unassigned	<u>-</u>	<u>(590,945)</u>
Total Fund Balance (Deficit)	<u>853,447</u>	<u>(216,705)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 1,254,429</u>	<u>\$ 1,672,745</u>

See independent auditors' report.

**Town of Eastchester, New York**

Capital Projects Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

---

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Use of money and property	\$ 228	\$ 181
State aid	19,813	80,768
Federal aid	-	(730,000)
Miscellaneous	<u>88,794</u>	<u>1,103</u>
Total Revenues	108,835	(647,948)
<b>EXPENDITURES</b>		
Capital outlay	<u>2,986,183</u>	<u>1,655,729</u>
Deficiency of Revenues Over Expenditures	<u>(2,877,348)</u>	<u>(2,303,677)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	3,834,750	-
Transfers in	113,549	26,156
Transfers out	<u>(799)</u>	<u>(26,156)</u>
Total Other Financing Sources	<u>3,947,500</u>	<u>-</u>
Net Change in Fund Balance	1,070,152	(2,303,677)
<b>FUND BALANCE (DEFICIT)</b>		
Beginning of Year	<u>(216,705)</u>	<u>2,086,972</u>
End of Year	<u>\$ 853,447</u>	<u>\$ (216,705)</u>

See independent auditors' report.

**Town of Eastchester, New York**

Capital Projects Fund  
 Project-Length Schedule  
 Inception of Project Through December 31, 2017

Project	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Purchase of Cable TV Equipment	9234	\$ 342,000	\$ 217,546	\$ 124,454
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	50,000	-
Electronic Records	9418	50,000	42,499	7,501
Parking Kiosk - 2012	9424	40,000	7,719	32,281
Library Renovations - 2013	9426	30,000	29,248	752
Field and Park Renovations - 2013	9430	50,000	22,596	27,404
Scout Field - 2013	9433	250,000	82,738	167,262
Sidewalks and Curbs - 2014	9436	100,000	100,000	-
Town Code - 2014	9443	25,000	16,755	8,245
Parkway Bridge Repair - 2014	9445	115,000	115,000	-
Library Roof - 2014	9446	302,299	250,157	52,142
Leewood Park - 2014	9447	10,000	2,350	7,650
Library LED Lights - 2015	9448	110,461	97,862	12,599
Street Resurfacing - 2015	9451	850,000	850,000	-
Police Locker Rooms - 2015	9454	190,000	190,000	-
Marble School House - 2015	9455	123,500	122,176	1,324
Library Shelving - 2016	9456	13,103	13,103	-
Library LED Lights - 2016	9457	7,500	6,877	623
Sanitation Truck - 2016	9458	210,000	210,000	-
Sidewalks and Curbs - 2016	9459	150,000	150,000	-
Street Resurfacing - 2016	9460	650,000	650,000	-
LED Lights - 2016	9461	20,000	11,482	8,518
Police LED Lights - 2016	9462	35,000	-	35,000
Building Department Building - 2016	9463	75,000	75,000	-
Court Room Improvement - 2016	9464	65,000	65,000	-
Portable Generator - 2016	9465	10,000	-	10,000
Library Patio - 2016	9466	60,000	60,000	-
Haindl Field Renovation - 2016	9467	950,000	851,110	98,890
Sanitation Truck - 2017	9468	215,000	213,131	1,869
Highway Small Dump Truck - 2017	9469	110,000	110,000	-
Leaf Truck - 2017	9470	80,000	78,638	1,362
Sidewalks and Curbs - 2017	9471	150,000	85,883	64,117
Street Resurfacing - 2017	9472	1,000,000	982,337	17,663
Court Room Improvement - 2017	9473	37,390	36,165	1,225
Leewood Park - 2017	9474	7,500	7,500	-
Parkway Oval - 2017	9475	15,000	13,544	1,456
Cooper Field - 2017	9476	20,000	19,323	677
Solar Power Signs - 2017	9477	19,500	18,225	1,275
Dunwoodie Park - 2017	9478	50,000	47,112	2,888
Senior Center at Lake Isle - 2017	9606	1,750,000	66,944	1,683,056
<b>Totals</b>		<b>\$ 14,243,253</b>	<b>\$ 11,073,331</b>	<b>\$ 3,169,922</b>

See independent auditors' report.

Total Revenues	Fund Balance (Deficit) at December 31, 2017
\$ 342,000	\$ 124,454
5,133,964	28,653
50,000	-
50,000	7,501
40,000	32,281
30,000	752
50,000	27,404
250,000	167,262
100,000	-
25,000	8,245
115,000	-
302,299	52,142
-	(2,350)
110,461	12,599
850,000	-
190,000	-
73,500	(48,676)
13,103	-
7,500	623
210,000	-
150,000	-
650,000	-
20,000	8,518
35,000	35,000
75,000	-
65,000	-
10,000	10,000
60,000	-
765,000	(86,110)
215,000	1,869
110,000	-
80,000	1,362
150,000	64,117
1,000,000	17,663
37,390	1,225
7,500	-
15,000	1,456
20,000	677
19,500	1,275
50,000	2,888
-	(66,944)
<u>\$ 11,477,217</u>	<u>\$ 403,886</u>

**Town of Eastchester, New York**

Combining Balance Sheet  
 Non-Major Governmental Funds  
 December 31, 2017  
 (With Comparative Totals for 2016)

	Public Library	Section 8 Housing	Special Purpose
<b>ASSETS</b>			
Cash and equivalents	\$ -	\$ 55,422	\$ 31,526
Receivables			
Accounts	-	6,682	-
State and Federal aid	-	-	-
Due from other funds	167,507	-	203,279
	<u>167,507</u>	<u>6,682</u>	<u>203,279</u>
Prepaid expenditures	<u>57,019</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 224,526</u>	<u>\$ 62,104</u>	<u>\$ 234,805</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 18,667	\$ 17,521	\$ -
Accrued liabilities	-	12,584	-
Due to other funds	3,624	-	19,148
Unearned revenues	-	-	-
Total Liabilities	<u>22,291</u>	<u>30,105</u>	<u>19,148</u>
Fund balances			
Nonspendable	57,019	-	-
Restricted	-	-	215,657
Assigned	145,216	31,999	-
Total Fund Balances	<u>202,235</u>	<u>31,999</u>	<u>215,657</u>
Total Liabilities and Fund Balances	<u>\$ 224,526</u>	<u>\$ 62,104</u>	<u>\$ 234,805</u>

See independent auditors' report.



Total Non-Major  
Governmental Funds

2017	2016
\$ 86,948	\$ 285,702
6,682	8,168
-	886
370,786	444,951
377,468	454,005
57,019	57,599
\$ 521,435	\$ 797,306

\$ 36,188	\$ 9,202
12,584	20,421
22,772	21,108
-	227,251
71,544	277,982
57,019	57,599
215,657	174,240
177,215	287,485
449,891	519,324
\$ 521,435	\$ 797,306

**Town of Eastchester, New York**

Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 Non-Major Governmental Funds  
 Year Ended December 31, 2017  
 (With Comparative Totals for 2016)

	Public Library	Section 8 Housing	Special Purpose
<b>REVENUES</b>			
Real property taxes	\$ 1,654,078	\$ -	\$ -
Departmental income	20,713	-	-
Use of money and property	1,954	41	600
State aid	6,272	-	-
Federal aid	-	2,648,048	-
Miscellaneous	2,404	6,845	95,520
<b>Total Revenues</b>	<b>1,685,421</b>	<b>2,654,934</b>	<b>96,120</b>
<b>EXPENDITURES</b>			
Current			
Economic opportunity and development	-	2,655,850	-
Culture and recreation	1,108,261	-	54,703
Employee benefits	650,613	-	-
Debt service			
Principal	24,357	-	-
Interest	6,574	-	-
<b>Total Expenditures</b>	<b>1,789,805</b>	<b>2,655,850</b>	<b>54,703</b>
Excess (Deficiency) of Revenues Over Expenditures	(104,384)	(916)	41,417
<b>OTHER FINANCING USES</b>			
Transfers out	(5,550)	-	-
<b>Net Change in Fund Balances</b>	<b>(109,934)</b>	<b>(916)</b>	<b>41,417</b>
<b>FUND BALANCES</b>			
Beginning of Year	312,169	32,915	174,240
End of Year	<u>\$ 202,235</u>	<u>\$ 31,999</u>	<u>\$ 215,657</u>

See independent auditors' report.

Total Non-Major  
Governmental Funds

2017	2016
\$ 1,654,078	\$ 1,671,210
20,713	26,032
2,595	2,065
6,272	5,129
2,648,048	2,702,040
104,769	51,336
4,436,475	4,457,812
2,655,850	2,689,615
1,162,964	1,159,878
650,613	569,567
24,357	24,143
6,574	-
4,500,358	4,443,203
(63,883)	14,609
(5,550)	-
(69,433)	14,609
519,324	511,016
\$ 449,891	\$ 525,625

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## 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.

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**Town of Eastchester, New York**

Public Library Fund  
Comparative Balance Sheet  
December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Due from other funds	\$ 167,507	\$ 269,957
Prepaid expenditures	<u>57,019</u>	<u>56,360</u>
Total Assets	<u><u>\$ 224,526</u></u>	<u><u>\$ 326,317</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 18,667	\$ 9,202
Accrued liabilities	-	2,986
Due to other funds	<u>3,624</u>	<u>1,960</u>
Total Liabilities	<u>22,291</u>	<u>14,148</u>
Fund balance		
Nonspendable	57,019	56,360
Assigned	<u>145,216</u>	<u>255,809</u>
Total Fund Balance	<u>202,235</u>	<u>312,169</u>
Total Liabilities and Fund Balance	<u><u>\$ 224,526</u></u>	<u><u>\$ 326,317</u></u>

See independent auditors' report.

**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,

	2017			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 1,654,078	\$ 1,654,078	\$ 1,654,078	\$ -
Departmental income	25,000	25,000	20,713	(4,287)
Use of money and property	3,000	3,000	1,954	(1,046)
State aid	4,000	4,000	6,272	2,272
Miscellaneous	4,000	4,000	2,404	(1,596)
<b>Total Revenues</b>	<b>1,690,078</b>	<b>1,690,078</b>	<b>1,685,421</b>	<b>(4,657)</b>
<b>EXPENDITURES</b>				
Current				
Culture and recreation	1,128,574	1,112,544	1,108,261	4,283
Employee benefits	578,707	651,458	650,613	845
Debt service				
Principal				
Serial bonds	24,357	24,357	24,357	-
Interest				
Serial bonds	5,913	5,914	5,914	-
Bond anticipation notes	660	660	660	-
	6,573	6,574	6,574	-
<b>Total Expenditures</b>	<b>1,738,211</b>	<b>1,794,933</b>	<b>1,789,805</b>	<b>5,128</b>
Excess (Deficiency) of Revenues Over Expenditures	(48,133)	(104,855)	(104,384)	471
<b>OTHER FINANCING USES</b>				
Transfers out	(5,550)	(5,550)	(5,550)	-
<b>Net Change in Fund Balance</b>	<b>(53,683)</b>	<b>(110,405)</b>	<b>(109,934)</b>	<b>471</b>
<b>FUND BALANCE</b>				
Beginning of Year	53,683	110,405	312,169	201,764
End of Year	\$ -	\$ -	\$ 202,235	\$ 202,235

See independent auditors' report.



2016			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,671,210	\$ 1,671,210	\$ 1,671,210	\$ -
25,000	25,000	26,032	1,032
3,000	3,000	1,780	(1,220)
4,000	4,000	5,129	1,129
2,000	14,727	16,561	1,834
<u>1,705,210</u>	<u>1,717,937</u>	<u>1,720,712</u>	<u>2,775</u>
<u>1,169,770</u>	<u>1,136,883</u>	<u>1,112,857</u>	<u>24,026</u>
<u>555,502</u>	<u>601,116</u>	<u>569,567</u>	<u>31,549</u>
<u>24,145</u>	<u>24,145</u>	<u>24,143</u>	<u>2</u>
<u>6,305</u>	<u>6,305</u>	<u>6,301</u>	<u>4</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,305</u>	<u>6,305</u>	<u>6,301</u>	<u>4</u>
<u>1,755,722</u>	<u>1,768,449</u>	<u>1,712,868</u>	<u>55,581</u>
<u>(50,512)</u>	<u>(50,512)</u>	<u>7,844</u>	<u>58,356</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(50,512)</u>	<u>(50,512)</u>	<u>7,844</u>	<u>58,356</u>
<u>50,512</u>	<u>50,512</u>	<u>304,325</u>	<u>253,813</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,169</u>	<u>\$ 312,169</u>

**Town of Eastchester, New York**

Section 8 Housing Fund  
Comparative Balance Sheet  
December 31,

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 55,422</u>	<u>\$ 252,655</u>
Receivables		
Accounts	6,682	8,168
State and Federal aid	-	886
Due from other funds	<u>-</u>	<u>14,653</u>
	<u>6,682</u>	<u>23,707</u>
Prepaid expenditures	<u>-</u>	<u>1,239</u>
Total Assets	<u><u>\$ 62,104</u></u>	<u><u>\$ 277,601</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 17,521	\$ -
Accrued liabilities	12,584	17,435
Unearned revenues	<u>-</u>	<u>227,251</u>
Total Liabilities	<u>30,105</u>	<u>244,686</u>
Fund balance		
Nonspendable	-	1,239
Assigned	<u>31,999</u>	<u>31,676</u>
Total Fund Balance	<u>31,999</u>	<u>32,915</u>
Total Liabilities and Fund Balance	<u><u>\$ 62,104</u></u>	<u><u>\$ 277,601</u></u>

See independent auditors' report.

**Town of Eastchester, New York**

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

---

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Use of money and property	\$ 41	\$ 26
Federal aid	2,648,048	2,702,040
Miscellaneous	<u>6,845</u>	<u>15,903</u>
Total Revenues	2,654,934	2,717,969
<b>EXPENDITURES</b>		
Current		
Economic opportunity and development	<u>2,655,850</u>	<u>2,689,615</u>
Excess (Deficiency) of Revenues Over Expenditures	(916)	28,354
<b>FUND BALANCE</b>		
Beginning of Year	<u>32,915</u>	<u>4,561</u>
End of Year	<u><u>\$ 31,999</u></u>	<u><u>\$ 32,915</u></u>

See independent auditors' report.

**Town of Eastchester, New York**

Special Purpose Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 31,526	\$ 33,047
Due from other funds	<u>203,279</u>	<u>160,341</u>
Total Assets	<u><u>\$ 234,805</u></u>	<u><u>\$ 193,388</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	\$ 19,148	\$ 19,148
Fund balance		
Restricted	<u>215,657</u>	<u>174,240</u>
Total Liabilities and Fund Balance	<u><u>\$ 234,805</u></u>	<u><u>\$ 193,388</u></u>

See independent auditors' report.

**Town of Eastchester, New York**

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

---

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Use of money and property	\$ 600	\$ 259
Miscellaneous	<u>95,520</u>	<u>18,872</u>
Total Revenues	96,120	19,131
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>54,703</u>	<u>47,021</u>
Excess (Deficiency) of Revenues Over Expenditures	41,417	(27,890)
<b>FUND BALANCE</b>		
Beginning of Year	<u>174,240</u>	<u>202,130</u>
End of Year	<u><u>\$ 215,657</u></u>	<u><u>\$ 174,240</u></u>

See independent auditors' report.

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## **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.

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**Town of Eastchester, New York**

Enterprise Fund - Lake Isle  
 Comparative Statement of Net Position  
 December 31,

	2017	2016
<b>ASSETS</b>		
Current assets		
Cash and equivalents	\$ 6,221	\$ 1,931
Receivables		
Accounts	-	135,000
Due from other funds	360,516	551,466
	<u>360,516</u>	<u>686,466</u>
Prepaid expenses	40,270	-
Total Current Assets	<u>407,007</u>	<u>688,397</u>
Capital assets		
Land	3,465,000	3,465,000
Buildings and improvements	10,639,849	10,489,849
Pool facilities	2,713,038	2,713,038
Machinery and equipment	1,539,574	1,486,587
	18,357,461	18,154,474
Less - Accumulated depreciation	<u>(13,611,454)</u>	<u>(13,135,207)</u>
Total Capital Assets, net of accumulated depreciator	<u>4,746,007</u>	<u>5,019,267</u>
Total Assets	<u>5,153,014</u>	<u>5,707,664</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amounts on refunding bonds	<u>4,376</u>	<u>8,751</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	65,086	26,899
Accrued interest payable	4,731	5,920
Due to other funds	500,041	673,319
Advances from other funds	660,000	930,000
Unearned revenues	43,610	44,085
Bond anticipation notes payable	-	75,000
Current maturities of bonds payable	<u>159,366</u>	<u>141,215</u>
Total Current Liabilities	1,432,834	1,896,438
Noncurrent liabilities		
Bonds payable, less current maturities	<u>248,403</u>	<u>271,605</u>
Total Liabilities	<u>1,681,237</u>	<u>2,168,043</u>
<b>NET POSITION</b>		
Net investment in capital assets	4,342,614	4,540,198
Unrestricted	<u>(866,461)</u>	<u>(991,826)</u>
Total Net Position	<u>\$ 3,476,153</u>	<u>\$ 3,548,372</u>

See independent auditors' report.

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

	<u>2017</u>	<u>2016</u>
<b>OPERATING REVENUES</b>		
Membership fees	\$ 2,217,716	\$ 2,264,319
Guest fees	380,677	405,030
Cart rentals	302,194	342,439
Restaurant concessions	330,480	243,000
Tennis license fee	376,833	398,655
Other	15,516	45,082
	<u>3,623,416</u>	<u>3,698,525</u>
<b>OPERATING EXPENSES</b>		
Personal services	615,132	626,290
Employee benefits	91,879	91,499
Supplies	208,195	238,172
Utilities	270,034	267,678
Insurance	114,713	110,963
Contractual	1,903,486	2,027,921
Professional fees	8,000	8,200
Judgments and claims	483	636
Depreciation and amortization	471,787	454,936
	<u>3,683,709</u>	<u>3,826,295</u>
Total Operating Expenses	<u>3,683,709</u>	<u>3,826,295</u>
Loss from Operations	<u>(60,293)</u>	<u>(127,770)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	82	66
Interest expense	(12,008)	(16,732)
	<u>(11,926)</u>	<u>(16,666)</u>
Total Non-Operating Expenses	<u>(11,926)</u>	<u>(16,666)</u>
Change in Net Position	(72,219)	(144,436)
<b>NET POSITION</b>		
Beginning of Year	<u>3,548,372</u>	<u>3,692,808</u>
End of Year	<u>\$ 3,476,153</u>	<u>\$ 3,548,372</u>

See independent auditors' report.

**Town of Eastchester, New York**

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

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 3,757,941	\$ 3,677,564
Cash payments for goods and services	(2,759,322)	(2,782,659)
Cash payments to employees	(707,011)	(717,789)
Net Cash from Operating Activities	<u>291,608</u>	<u>177,116</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(202,987)	(104,000)
Principal paid on bonds	(141,215)	(136,901)
Bonds issued	145,000	-
Principal paid on bond anticipation notes	(75,000)	-
Bond anticipation notes issued	-	75,000
Interest on indebtedness	(13,198)	(18,368)
Net Cash from Capital and Related Financing Activities	<u>(287,400)</u>	<u>(184,269)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	82	66
Net Change in Cash and Equivalents	4,290	(7,087)
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	1,931	9,018
End of Year	<u>\$ 6,221</u>	<u>\$ 1,931</u>
<b>RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Loss from operations	\$ (60,293)	\$ (127,770)
Adjustments to reconcile loss from operations to net cash from operating activities		
Depreciation and amortization	471,787	454,936
Changes in assets and liabilities		
Accounts receivable	135,000	-
Due from other funds	190,950	22,596
Prepaid expenses	(40,270)	39,000
Accounts payable	38,187	(46,456)
Due to other funds	(173,278)	(144,229)
Advances from other funds	(270,000)	-
Unearned revenues	(475)	(20,961)
Net Cash from Operating Activities	<u>\$ 291,608</u>	<u>\$ 177,116</u>

See independent auditors' report.

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## 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.

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**Town of Eastchester, New York**

Internal Service Funds  
 Combining Statement of Net Position  
 December 31, 2017  
 (With Comparative Totals for 2016)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2017	2016
<b>ASSETS</b>				
Cash and equivalents	\$ 340	\$ -	\$ 340	\$ 340
Investments	1,664,155	2,564,606	4,228,761	4,204,179
Due from other funds	33,398	527,269	560,667	126,907
<b>Total Assets</b>	<b>1,697,893</b>	<b>3,091,875</b>	<b>4,789,768</b>	<b>4,331,426</b>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	12,405	17,410	29,815	5,613
Due to other funds	11,018	-	11,018	160,180
Current portion of claims payable	942,234	223,101	1,165,335	1,007,054
<b>Total Current Liabilities</b>	<b>965,657</b>	<b>240,511</b>	<b>1,206,168</b>	<b>1,172,847</b>
Noncurrent liabilities				
Claims payable, less current portion	2,470,949	952,952	3,423,901	3,104,986
<b>Total Liabilities</b>	<b>3,436,606</b>	<b>1,193,463</b>	<b>4,630,069</b>	<b>4,277,833</b>
<b>NET POSITION</b>				
Unrestricted	\$ (1,738,713)	\$ 1,898,412	\$ 159,699	\$ 53,593

See independent auditors' report.

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**Town of Eastchester, New York**

Internal Service Funds  
 Combining Statement of Revenues, Expenses and  
 Changes In Net Position  
 Year Ended December 31, 2017  
 (With Comparative Totals for 2016)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2017	2016
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,024,750	\$ 764,750	\$ 1,789,500	\$ 1,714,500
Other	181,346	5,600	186,946	463,247
<b>Total Operating Revenues</b>	<b>1,206,096</b>	<b>770,350</b>	<b>1,976,446</b>	<b>2,177,747</b>
<b>OPERATING EXPENSES</b>				
Employee benefits	1,310,233	-	1,310,233	716,002
Insurance	175,448	216,402	391,850	391,567
Contractual	90,336	5,060	95,396	80,383
Judgments and claims	-	103,818	103,818	592,296
<b>Total Operating Expenses</b>	<b>1,576,017</b>	<b>325,280</b>	<b>1,901,297</b>	<b>1,780,248</b>
<b>Income (Loss) from Operations</b>	<b>(369,921)</b>	<b>445,070</b>	<b>75,149</b>	<b>397,499</b>
<b>NON-OPERATING REVENUES</b>				
Interest income	12,855	18,102	30,957	11,371
<b>Change in Net Position</b>	<b>(357,066)</b>	<b>463,172</b>	<b>106,106</b>	<b>408,870</b>
<b>NET POSITION</b>				
Beginning of Year	(1,381,647)	1,435,240	53,593	(355,277)
End of Year	\$ (1,738,713)	\$ 1,898,412	\$ 159,699	\$ 53,593

See independent auditors' report.

**Town of Eastchester, New York**

Internal Service Funds  
 Combining Statement of Cash Flows  
 Year Ended December 31, 2017  
 (With Comparative Totals for 2016)

	Workers' Compensation Benefits	General Liability Claims
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and other	\$ 1,206,096	\$ 610,170
Cash payments to insurance carriers and claimants	<u>(820,900)</u>	<u>(1,001,741)</u>
Net Cash from Operating Activities	<u>385,196</u>	<u>(391,571)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	12,855	18,102
Purchase of investments	(1,664,155)	(2,564,606)
Sale of investments	<u>1,266,104</u>	<u>2,938,075</u>
Net Cash from Investing Activities	<u>(385,196)</u>	<u>391,571</u>
Net Change in Cash and Equivalents	-	-
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>340</u>	<u>-</u>
End of Year	<u><u>\$ 340</u></u>	<u><u>\$ -</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ (369,921)	\$ 445,070
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	89,649	(523,409)
Accounts payable	12,405	11,797
Due to other funds	11,018	(160,180)
Claims payable	<u>642,045</u>	<u>(164,849)</u>
Net Cash from Operating Activities	<u><u>\$ 385,196</u></u>	<u><u>\$ (391,571)</u></u>

See independent auditors' report.

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Totals

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<u>2017</u>	<u>2016</u>
\$ 1,816,266	\$ 2,334,067
(1,822,641)	(1,457,430)
<u>(6,375)</u>	<u>876,637</u>
30,957	11,371
(4,228,761)	(4,204,179)
<u>4,204,179</u>	<u>3,316,171</u>
<u>6,375</u>	<u>(876,637)</u>
-	-
<u>340</u>	<u>340</u>
<u>\$ 340</u>	<u>\$ 340</u>
\$ 75,149	\$ 397,499
(433,760)	275,634
24,202	(4,969)
(149,162)	80,879
<u>477,196</u>	<u>127,594</u>
<u>\$ (6,375)</u>	<u>\$ 876,637</u>

**Town of Eastchester, New York**

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

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	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 340	\$ 340
Investments	1,664,155	1,266,104
Due from other funds	<u>33,398</u>	<u>123,047</u>
 Total Assets	 <u>1,697,893</u>	 <u>1,389,491</u>
 <b>LIABILITIES</b>		
Current liabilities		
Accounts payable	12,405	-
Due to other funds	11,018	-
Current portion of claims payable	<u>942,234</u>	<u>774,493</u>
 Total Current Liabilities	 965,657	 774,493
 Noncurrent liabilities		
Claims payable, less current portion	<u>2,470,949</u>	<u>1,996,645</u>
 Total Liabilities	 <u>3,436,606</u>	 <u>2,771,138</u>
 <b>NET POSITION</b>		
Unrestricted	<u>\$ (1,738,713)</u>	<u>\$ (1,381,647)</u>

See independent auditors' report.

**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>2017</u>	<u>2016</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,024,750	\$ 974,750
Other	<u>181,346</u>	<u>459,563</u>
Total Operating Revenues	<u>1,206,096</u>	<u>1,434,313</u>
<b>OPERATING EXPENSES</b>		
Employee benefits	1,310,233	716,002
Insurance	175,448	175,165
Contractual	<u>90,336</u>	<u>75,965</u>
Total Operating Expenses	<u>1,576,017</u>	<u>967,132</u>
Income (Loss) from Operations	(369,921)	467,181
<b>NON-OPERATING REVENUES</b>		
Interest income	<u>12,855</u>	<u>3,658</u>
Change in Net Position	(357,066)	470,839
<b>NET POSITION</b>		
Beginning of Year	<u>(1,381,647)</u>	<u>(1,852,486)</u>
End of Year	<u>\$ (1,738,713)</u>	<u>\$ (1,381,647)</u>

See independent auditors' report.

**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and other	\$ 1,206,096	\$ 1,434,313
Cash payments to insurance carriers and claimants	<u>(820,900)</u>	<u>(1,297,425)</u>
Net Cash from Operating Activities	<u>385,196</u>	<u>136,888</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	12,855	3,658
Purchase of investments	(1,664,155)	(1,266,104)
Sale of investments	<u>1,266,104</u>	<u>1,125,558</u>
Net Cash from Investing Activities	<u>(385,196)</u>	<u>(136,888)</u>
Net Change in Cash and Equivalents	-	-
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>340</u>	<u>340</u>
End of Year	<u>\$ 340</u>	<u>\$ 340</u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ (369,921)	\$ 467,181
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	89,649	(123,047)
Accounts payable	12,405	(9,351)
Due to other funds	11,018	(75,441)
Claims payable	<u>642,045</u>	<u>(122,454)</u>
Net Cash from Operating Activities	<u>\$ 385,196</u>	<u>\$ 136,888</u>

See independent auditors' report.

**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Investments	\$ 2,564,606	\$ 2,938,075
Due from other funds	<u>527,269</u>	<u>3,860</u>
 Total Assets	 <u>3,091,875</u>	 <u>2,941,935</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	17,410	5,613
Due to other funds	-	160,180
Current portion of claims payable	<u>223,101</u>	<u>232,561</u>
 Total Current Liabilities	 240,511	 398,354
Noncurrent liabilities		
Claims payable, less current portion	<u>952,952</u>	<u>1,108,341</u>
 Total Liabilities	 <u>1,193,463</u>	 <u>1,506,695</u>
<b>NET POSITION</b>		
Unrestricted	<u>\$ 1,898,412</u>	<u>\$ 1,435,240</u>

See independent auditors' report.

**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>2017</u>	<u>2016</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 764,750	\$ 739,750
Other	<u>5,600</u>	<u>3,684</u>
Total Operating Revenues	<u>770,350</u>	<u>743,434</u>
<b>OPERATING EXPENSES</b>		
Insurance	216,402	216,402
Contractual	5,060	4,418
Judgments and claims	<u>103,818</u>	<u>592,296</u>
Total Operating Expenses	<u>325,280</u>	<u>813,116</u>
Income (Loss) from Operations	445,070	(69,682)
<b>NON-OPERATING REVENUES</b>		
Interest income	<u>18,102</u>	<u>7,713</u>
Change in Net Position	463,172	(61,969)
<b>NET POSITION</b>		
Beginning of Year	<u>1,435,240</u>	<u>1,497,209</u>
End of Year	<u>\$ 1,898,412</u>	<u>\$ 1,435,240</u>

See independent auditors' report.



**Town of Eastchester, New York**

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

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from charges for services and other	\$ 610,170	\$ 899,754
Cash payments to insurance carriers and claimants	<u>(1,001,741)</u>	<u>(160,005)</u>
Net Cash from Operating Activities	<u>(391,571)</u>	<u>739,749</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	18,102	7,713
Purchase of investments	(2,564,606)	(2,938,075)
Sale of investments	<u>2,938,075</u>	<u>2,190,613</u>
Net Cash from Investing Activities	<u>391,571</u>	<u>(739,749)</u>
Net Change in Cash and Equivalents	-	-
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>		
Income (loss) from operations	\$ 445,070	\$ (69,682)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	(523,409)	398,681
Accounts payable	11,797	4,382
Due to other funds	(160,180)	156,320
Claims payable	<u>(164,849)</u>	<u>250,048</u>
Net Cash from Operating Activities	<u><u>\$ (391,571)</u></u>	<u><u>\$ 739,749</u></u>

See independent auditors' report.

**Town of Eastchester, New York**

Fiduciary Funds - Agency Fund  
Statement of Changes in Assets and Liabilities  
Year Ended December 31, 2017

	Balance January 1, 2017	Increases	Decreases	Balance December 31, 2017
<b>ASSETS</b>				
Cash and equivalents	\$ -	\$ 19,024,565	\$ 19,024,565	\$ -
Accounts receivable	234,142	4,149,857	4,106,353	277,646
<b>Total Assets</b>	<b>\$ 234,142</b>	<b>\$ 23,174,422</b>	<b>\$ 23,130,918</b>	<b>\$ 277,646</b>
<b>LIABILITIES</b>				
Net payroll	\$ -	\$ 13,757,211	\$ 13,757,211	\$ -
Employee payroll deductions	12,544	4,999,253	5,000,832	10,965
Deposits	221,598	235,786	190,703	266,681
<b>Total Liabilities</b>	<b>\$ 234,142</b>	<b>\$ 18,992,250</b>	<b>\$ 18,948,746</b>	<b>\$ 277,646</b>

See independent auditors' report.

**STATISTICAL SECTION  
(UNAUDITED)**

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## **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**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 3,301,234	\$ 4,309,722	\$ 5,499,075	\$ 7,084,425
Restricted	5,599,866	5,675,638	3,488,809	2,163,286
Unrestricted	<u>2,200,864</u>	<u>818,194</u>	<u>88,658</u>	<u>(1,438,374)</u>
Total Governmental Activities				
Net Position	<u>\$ 11,101,964</u>	<u>\$ 10,803,554</u>	<u>\$ 9,076,542</u>	<u>\$ 7,809,337</u>
<b>Business-Type Activities</b>				
Net investment in capital assets	\$ 5,263,392	\$ 5,420,819	\$ 5,587,804	\$ 5,839,926
Unrestricted	<u>(264,886)</u>	<u>(526,796)</u>	<u>(1,154,850)</u>	<u>(1,860,490)</u>
Total Business-Type Activities				
Net Position	<u>\$ 4,998,506</u>	<u>\$ 4,894,023</u>	<u>\$ 4,432,954</u>	<u>\$ 3,979,436</u>
<b>Primary Government</b>				
Net investment in capital assets	\$ 8,564,626	\$ 9,730,541	\$ 11,086,879	\$ 12,924,351
Restricted	5,599,866	5,675,638	3,488,809	2,163,286
Unrestricted	<u>1,935,978</u>	<u>291,398</u>	<u>(1,066,192)</u>	<u>(3,298,864)</u>
Total Primary Government				
Net Position	<u>\$ 16,100,470</u>	<u>\$ 15,697,577</u>	<u>\$ 13,509,496</u>	<u>\$ 11,788,773</u>

2012	2013	2014	2015	2016	2017
\$ 7,406,444	\$ 8,126,412	\$ 8,646,987	\$ 10,707,525	\$ 11,509,676	\$ 12,705,732
1,723,110	1,602,445	1,771,536	1,543,080	836,414	950,878
(2,180,568)	(2,126,096)	(3,374,992)	(5,835,556)	(9,461,710)	(13,092,409)
<u>\$ 6,948,986</u>	<u>\$ 7,602,761</u>	<u>\$ 7,043,531</u>	<u>\$ 6,415,049</u>	<u>\$ 2,884,380</u>	<u>\$ 564,201</u>
5,631,451	5,319,076	5,168,356	4,829,233	4,540,198	4,342,614
(1,616,442)	(1,281,674)	(1,426,839)	(1,136,425)	(991,826)	(866,461)
<u>\$ 4,015,009</u>	<u>\$ 4,037,402</u>	<u>\$ 3,741,517</u>	<u>\$ 3,692,808</u>	<u>\$ 3,548,372</u>	<u>\$ 3,476,153</u>
\$ 13,037,895	\$ 13,445,488	\$ 13,815,343	\$ 15,536,758	\$ 16,049,874	\$ 17,048,346
1,723,110	1,602,445	1,771,536	1,543,080	836,414	950,878
(3,797,010)	(3,407,770)	(4,801,831)	(6,971,981)	(10,453,536)	(13,958,870)
<u>\$ 10,963,995</u>	<u>\$ 11,640,163</u>	<u>\$ 10,785,048</u>	<u>\$ 10,107,857</u>	<u>\$ 6,432,752</u>	<u>\$ 4,040,354</u>

**Town of Eastchester, New York**

Changes in Net Position  
Last Ten Fiscal Years

	2008	2009	2010	2011
<b>Expenses</b>				
<b>Governmental Activities</b>				
General government support	\$ 3,875,186	\$ 5,576,273	\$ 5,785,555	\$ 6,173,420
Public safety	9,580,373	7,241,517	7,315,705	7,315,329
Transportation	5,065,776	4,295,999	4,459,532	4,410,379
Economic opportunity and development	3,406,582	4,043,994	4,176,021	4,374,891
Culture and recreation	4,673,941	5,283,634	5,512,842	5,868,594
Home and community services	3,117,667	2,747,646	2,965,422	3,296,006
Interest	480,313	497,084	429,683	415,520
<b>Total Governmental Activities Expenses</b>	<b>30,199,838</b>	<b>29,686,147</b>	<b>30,644,760</b>	<b>31,854,139</b>
<b>Business-type Activities</b>				
Lake Isle	4,006,273	3,817,041	4,131,573	4,066,022
<b>Total Primary Government Expenses</b>	<b>\$ 34,206,111</b>	<b>\$ 33,503,188</b>	<b>\$ 34,776,333</b>	<b>\$ 35,920,161</b>
<b>Program Revenues</b>				
<b>Governmental Activities</b>				
<b>Charges for Services</b>				
General government support	\$ 306,074	\$ 283,665	\$ 300,880	\$ 295,283
Public safety	1,746,267	1,725,209	1,487,557	1,855,655
Transportation	553,458	661,820	642,772	605,256
Economic opportunity and development	88,645	80,861	86,156	83,652
Culture and recreation	794,383	886,573	812,573	876,439
Home and community services	93,678	87,023	126,977	102,635
Operating Grants and Contributions	3,369,307	3,517,105	3,728,313	3,485,464
Capital Grants and Contributions	715,263	1,263,869	184,098	678,095
<b>Total Governmental Activities Program Revenues</b>	<b>7,667,075</b>	<b>8,506,125</b>	<b>7,369,326</b>	<b>7,982,479</b>
<b>Business-type Activities</b>				
Lake Isle				
Charges for Services	4,135,369	3,711,036	3,669,636	3,612,221
Operating Grants and Contributions	-	-	-	-
<b>Total Business-type Activities Program Revenues</b>	<b>4,135,369</b>	<b>3,711,036</b>	<b>3,669,636</b>	<b>3,612,221</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 11,802,444</b>	<b>\$ 12,217,161</b>	<b>\$ 11,038,962</b>	<b>\$ 11,594,700</b>
<b>Net Expense/Revenue</b>				
Governmental Activities	\$ (22,532,763)	\$ (21,180,022)	\$ (23,275,434)	\$ (23,871,660)
Business-type Activities	129,096	(106,005)	(461,937)	(453,801)
<b>Total Primary Government Net Expense</b>	<b>\$ (22,403,667)</b>	<b>\$ (21,286,027)</b>	<b>\$ (23,737,371)</b>	<b>\$ (24,325,461)</b>



	2012	2013	2014	2015	2016	2017
\$	4,024,950	\$ 4,171,226	\$ 4,223,890	\$ 4,474,839	\$ 4,608,039	\$ 4,664,654
	10,372,703	10,281,566	10,808,259	11,474,334	13,787,541	12,815,240
	4,414,908	4,483,782	4,742,285	5,035,565	4,880,103	4,830,627
	3,582,177	3,639,256	3,518,773	3,646,427	3,655,301	3,584,302
	4,799,243	4,675,850	4,962,012	5,362,186	5,706,329	5,406,896
	3,763,210	3,803,191	3,704,921	4,093,804	4,138,101	4,049,297
	383,149	376,547	325,284	389,441	270,411	279,662
	31,340,340	31,431,418	32,285,424	34,476,596	37,045,825	35,630,678
	3,821,658	3,663,927	3,785,639	3,759,591	3,843,027	3,695,717
\$	<u>35,161,998</u>	<u>\$ 35,095,345</u>	<u>\$ 36,071,063</u>	<u>\$ 38,236,187</u>	<u>\$ 40,888,852</u>	<u>\$ 39,326,395</u>
\$	327,511	\$ 304,230	\$ 343,273	\$ 351,810	\$ 488,714	\$ 263,061
	1,772,445	1,968,614	1,876,108	2,142,481	2,268,864	1,940,568
	663,069	695,046	703,904	695,493	706,942	745,920
	79,851	78,504	56,992	53,876	56,903	46,361
	904,321	1,060,545	1,047,152	1,089,209	1,096,871	1,111,102
	86,859	88,589	91,739	102,448	98,353	112,257
	3,356,372	3,541,462	3,030,095	3,145,023	3,272,473	3,408,996
	93,857	220,309	193	186,583	(647,948)	108,835
	7,284,285	7,957,299	7,149,456	7,766,923	7,341,172	7,737,100
	3,857,110	3,665,550	3,489,651	3,710,852	3,698,525	3,623,416
	-	20,696	-	-	-	-
	3,857,110	3,686,246	3,489,651	3,710,852	3,698,525	3,623,416
\$	<u>11,141,395</u>	<u>\$ 11,643,545</u>	<u>\$ 10,639,107</u>	<u>\$ 11,477,775</u>	<u>\$ 11,039,697</u>	<u>\$ 11,360,516</u>
\$	(24,056,055)	\$ (23,474,119)	\$ (25,135,968)	\$ (26,709,673)	\$ (29,704,653)	\$ (27,893,578)
	35,452	22,319	(295,988)	(48,739)	(144,502)	(72,301)
\$	<u>(24,020,603)</u>	<u>\$ (23,451,800)</u>	<u>\$ (25,431,956)</u>	<u>\$ (26,758,412)</u>	<u>\$ (29,849,155)</u>	<u>\$ (27,965,879)</u>

(Continued)

**Town of Eastchester, New York**

Changes in Net Position (Continued)  
Last Ten Fiscal Years

	2008	2009	2010	2011
General Revenues				
Governmental Activities				
Taxes				
Real property taxes	\$ 15,936,678	\$ 16,760,336	\$ 17,156,404	\$ 18,034,915
Other tax items	393,228	367,025	369,004	374,962
Non-property taxes	2,876,511	2,623,547	2,817,757	2,940,725
Unrestricted use of money and property	168,771	57,463	40,709	34,542
Unrestricted State aid	1,508,789	998,270	1,080,334	1,169,313
Miscellaneous	105,082	74,971	84,214	49,998
Total Governmental Activities	20,989,059	20,881,612	21,548,422	22,604,455
Business-type Activities				
Unrestricted use of money and property	11,829	1,522	868	283
Total Primary Government General Revenues	<u>\$ 21,000,888</u>	<u>\$ 20,883,134</u>	<u>\$ 21,549,290</u>	<u>\$ 22,604,738</u>
Change in Net Position				
Governmental Activities	\$ (1,543,704)	\$ (298,410)	\$ (1,727,012)	\$ (1,267,205)
Business-type Activities	140,925	(104,483)	(461,069)	(453,518)
Total Primary Government	<u>\$ (1,402,779)</u>	<u>\$ (402,893)</u>	<u>\$ (2,188,081)</u>	<u>\$ (1,720,723)</u>

2012	2013	2014	2015	2016	2017
\$ 18,549,464	\$ 18,992,558	\$ 19,309,750	\$ 19,575,006	\$ 19,946,451	\$ 20,010,017
467,821	490,109	459,510	337,912	1,404,668	434,584
2,970,962	3,152,251	3,285,852	3,281,378	3,334,838	3,483,512
15,821	14,050	13,233	17,568	26,803	32,964
1,133,454	1,410,405	1,460,486	1,750,184	1,392,729	1,561,982
58,182	68,521	47,907	55,397	68,495	50,340
23,195,704	24,127,894	24,576,738	25,017,445	26,173,984	25,573,399
121	74	103	30	66	82
<u>\$ 23,195,825</u>	<u>\$ 24,127,968</u>	<u>\$ 24,576,841</u>	<u>\$ 25,017,475</u>	<u>\$ 26,174,050</u>	<u>\$ 25,573,481</u>
\$ (860,351)	\$ 653,775	\$ (559,230)	\$ (1,692,228)	\$ (3,530,669)	\$ (2,320,179)
35,573	22,393	(295,885)	(48,709)	(144,436)	(72,219)
<u>\$ (824,778)</u>	<u>\$ 676,168</u>	<u>\$ (855,115)</u>	<u>\$ (1,740,937)</u>	<u>\$ (3,675,105)</u>	<u>\$ (2,392,398)</u>

**Town of Eastchester, New York**

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 1,863,382
Assigned	-	-	-	1,067,411
Unassigned	-	-	-	649,802
Reserved	847,577	765,269	1,000,227	-
Unreserved	<u>3,716,648</u>	<u>2,978,888</u>	<u>2,196,154</u>	<u>-</u>
Total General Fund	<u>\$ 4,564,225</u>	<u>\$ 3,744,157</u>	<u>\$ 3,196,381</u>	<u>\$ 3,580,595</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 1,825,726
Restricted	-	-	-	198,780
Assigned	-	-	-	6,673,340
Unassigned	-	-	-	(107,381)
Reserved	1,098,851	1,203,677	789,399	-
Unreserved, Reported In				
Special Revenue Funds	7,170,020	7,613,294	7,692,491	-
Capital Projects Fund	<u>2,998,625</u>	<u>687,407</u>	<u>(599,865)</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 11,267,496</u>	<u>\$ 9,504,378</u>	<u>\$ 7,882,025</u>	<u>\$ 8,590,465</u>
Total Governmental Funds	<u>\$ 15,831,721</u>	<u>\$ 13,248,535</u>	<u>\$ 11,078,406</u>	<u>\$ 12,171,060</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.

2012	2013	2014	2015	2016	2017
\$ 1,935,321	\$ 1,874,897	\$ 1,560,424	\$ 1,884,571	\$ 1,554,209	\$ 1,306,460
1,079,747	1,066,648	1,106,286	1,122,466	1,208,034	1,217,040
756,089	1,345,108	2,201,789	2,364,051	3,891,559	4,040,521
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,771,157</u>	<u>\$ 4,286,653</u>	<u>\$ 4,868,499</u>	<u>\$ 5,371,088</u>	<u>\$ 6,653,802</u>	<u>\$ 6,564,021</u>
\$ 2,010,374	\$ 2,094,108	\$ 1,405,718	\$ 983,686	\$ 1,217,179	\$ 726,057
325,280	1,602,445	470,843	2,300,334	559,716	1,081,550
5,948,886	6,364,638	6,080,234	6,761,662	6,226,238	5,946,165
(891,468)	-	(334,157)	-	(590,945)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,393,072</u>	<u>\$ 10,061,191</u>	<u>\$ 7,622,638</u>	<u>\$ 10,045,682</u>	<u>\$ 7,412,188</u>	<u>\$ 7,753,772</u>
<u>\$ 11,164,229</u>	<u>\$ 14,347,844</u>	<u>\$ 12,491,137</u>	<u>\$ 15,416,770</u>	<u>\$ 14,065,990</u>	<u>\$ 14,317,793</u>

**Town of Eastchester, New York**

Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years

	2008	2009	2010	2011
<b>Revenues</b>				
Real property taxes	\$ 16,106,554	\$ 16,779,114	\$ 17,097,141	\$ 18,036,219
Other tax items	393,228	367,025	369,004	374,962
Non-property taxes	2,876,511	2,623,547	2,817,757	2,940,725
Departmental income	2,463,068	2,585,995	2,436,394	2,771,341
Intergovernmental charges	32,057	53,051	42,745	37,813
Use of money and property	777,139	493,784	352,297	305,269
Licenses and permits	-	-	-	-
Fines and forfeitures	996,337	991,741	879,920	983,136
State aid	1,962,231	1,478,439	1,429,917	2,088,847
Federal aid	3,060,617	3,845,346	3,137,473	3,003,472
Miscellaneous	649,182	705,088	723,282	472,431
<b>Total Revenues</b>	<b>29,316,924</b>	<b>29,923,130</b>	<b>29,285,930</b>	<b>31,014,215</b>
<b>Expenditures</b>				
<b>Current</b>				
General government support	3,101,039	3,085,490	3,308,349	2,942,031
Public safety	6,089,104	6,046,837	6,003,888	6,069,106
Transportation	3,020,596	2,987,719	3,171,630	3,157,981
Economic opportunity and development	3,436,559	3,509,265	3,552,447	3,621,023
Culture and recreation	3,650,573	3,583,319	3,493,888	3,397,213
Home and community services	2,377,316	2,310,786	2,502,494	2,571,744
Employee benefits	5,844,119	5,313,908	5,843,884	6,329,222
<b>Debt service</b>				
Principal	996,100	1,468,599	1,562,938	1,557,115
Interest	375,224	590,631	438,665	410,648
Refunding bond issuance costs	6,667	-	44,392	-
Capital outlay	2,552,356	3,609,762	1,577,877	2,145,222
<b>Total Expenditures</b>	<b>31,449,653</b>	<b>32,506,316</b>	<b>31,500,452</b>	<b>32,201,305</b>
<b>Deficiency of Revenues</b>				
Over Expenditures	(2,132,729)	(2,583,186)	(2,214,522)	(1,187,090)
<b>Other Financing Sources (Uses)</b>				
Bonds issued	6,511,153	-	-	2,279,744
Refunding bonds issued	630,000	-	1,522,763	-
Issuance premium	-	-	136,732	-
Payment to refunded bond escrow agent	(623,333)	-	(1,615,103)	-
Transfers in	242,432	246,808	558,825	238,758
Transfers out	(242,432)	(246,808)	(558,825)	(238,758)
<b>Total Other Financing Sources</b>	<b>6,517,820</b>	<b>-</b>	<b>44,392</b>	<b>2,279,744</b>
<b>Net Change in Fund Balances</b>	<b>\$ 4,385,091</b>	<b>\$ (2,583,186)</b>	<b>\$ (2,170,130)</b>	<b>\$ 1,092,654</b>
<b>Debt Service as a Percentage</b>				
<b>of Non-Capital Expenditures</b>	<b>4.8%</b>	<b>7.2%</b>	<b>6.9%</b>	<b>6.6%</b>

2012	2013	2014	2015	2016	2017
\$ 18,549,464	\$ 18,992,558	\$ 19,368,560	\$ 19,450,002	\$ 19,987,512	\$ 20,056,524
467,821	490,109	459,510	337,912	1,404,668	434,584
2,970,962	3,152,251	3,285,852	3,281,378	3,334,838	3,483,512
2,784,294	3,019,063	2,910,589	3,232,798	3,624,573	3,091,751
22,129	26,232	27,056	60,534	54,547	28,761
256,360	255,200	254,137	258,571	282,794	305,059
-	-	-	-	2,593	123,788
1,000,367	1,122,421	1,153,159	1,113,147	1,005,617	945,438
1,491,376	1,728,766	1,705,587	2,103,281	1,738,952	1,922,717
2,853,992	3,163,929	2,626,671	2,738,578	2,066,260	2,753,010
495,340	481,901	424,004	515,011	476,171	596,657
<u>30,892,105</u>	<u>32,432,430</u>	<u>32,215,125</u>	<u>33,091,212</u>	<u>33,978,525</u>	<u>33,741,801</u>
3,007,871	3,172,047	3,174,016	3,138,105	3,073,729	3,241,511
6,320,525	6,535,236	6,577,089	6,746,655	7,007,901	7,064,638
2,677,413	2,757,109	2,898,219	3,088,105	2,710,828	2,803,037
3,444,911	3,445,882	3,314,177	3,409,216	3,383,730	3,365,139
3,248,077	3,328,388	3,368,835	3,529,984	3,495,897	3,469,868
2,552,427	2,624,522	2,519,768	2,680,186	2,702,398	2,701,705
7,501,615	7,679,443	8,544,137	7,860,541	8,723,914	9,708,518
1,831,325	1,774,528	1,876,789	1,907,718	2,245,385	2,298,785
390,570	336,117	352,704	326,442	329,794	277,781
-	-	-	-	-	-
924,202	1,433,475	1,446,098	1,360,913	1,655,729	2,986,183
<u>31,898,936</u>	<u>33,086,747</u>	<u>34,071,832</u>	<u>34,047,865</u>	<u>35,329,305</u>	<u>37,917,165</u>
<u>(1,006,831)</u>	<u>(654,317)</u>	<u>(1,856,707)</u>	<u>(956,653)</u>	<u>(1,350,780)</u>	<u>(4,175,364)</u>
-	3,837,932	-	3,882,286	-	4,427,167
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
187,374	118,608	15,587	165,830	26,156	113,549
(187,374)	(118,608)	(15,587)	(165,830)	(26,156)	(113,549)
-	3,837,932	-	3,882,286	-	4,427,167
<u>\$ (1,006,831)</u>	<u>\$ 3,183,615</u>	<u>\$ (1,856,707)</u>	<u>\$ 2,925,633</u>	<u>\$ (1,350,780)</u>	<u>\$ 251,803</u>
7.2%	6.7%	6.9%	6.9%	7.7%	7.4%

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## 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**

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<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Special Franchise (1)</u>	<u>Total Taxable Assessed Value</u>
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
2015	72,256,761	23,819,701	93,350	5,214,226	101,384,038
2016	71,743,950	25,359,342	93,350	4,357,209	101,553,851
2017	71,461,043	23,801,286	93,350	5,231,203	100,586,882

(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
1.38 %	\$ 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
1.27	7,982,995,118	34.3083	273.0290	160.7003	468.0376
1.22	8,324,086,148	33.6278	281.9674	162.0833	477.6785
1.17	8,597,169,402	35.0995	291.7544	168.8601	495.7140

**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			
		Operating	Sewer Districts (Range)	Refuse Disposal District	School Districts (Range)
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
2015	468.0376	250.9941	36.2568 - 40.1918	23.4525	1,326.4912 - 1,411.6865
2016	477.6785	265.0513	38.4268 - 40.0054	24.3542	1,366.6583 - 1,429.1283
2017	495.7140	269.4557	38.4053 - 41.0746	24.2185	1,428.2234 - 1,446.5962

Source: Town of Eastchester Comptroller's Office

**Town of Eastchester, New York**

Principal Taxpayers  
Current Year and Nine Years Ago

2017				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Consolidated Edison	Utility	\$ 3,599,159	3.58 %
2	Suez Water Westchester	Utility	1,489,307	1.48
3	Vernon Hills Shopping	Shopping Center	1,042,700	1.04
4	Interlaken Owners, Inc.	Apartments	939,800	0.93
5	230 Garth Road Owners	Apartments	759,000	0.75
6	Midland Gardens	Apartments	704,420	0.70
7	Scarsdale Manor	Apartments	475,000	0.47
8	Bronxville West LLC	Real Estate Inv.	470,400	0.47
9	Garth Woods Owners	Apartments	441,000	0.44
10	Stoneleigh Pkwy Inc	Apartments	377,383	0.38
	Total		<u>\$ 10,298,169</u>	<u>10.24 %</u>

2008				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Consolidated Edison	Utility	\$ 3,163,495	2.76 %
2	United Water Company	Utility	1,491,513	1.30
3	Vernon Hills Shopping Center	Shopping Center	1,193,500	1.04
4	Interlaken Owners, Inc.	Apartments	1,031,126	0.90
5	230 Garth Road Owners	Apartments	883,398	0.77
6	Midland Gardens	Apartments	840,251	0.73
7	R & F Scarsdale LLC	Apartments	586,900	0.51
8	Scarsdale Manor	Apartments	576,223	0.50
9	Garth Woods Owners	Apartments	512,075	0.45
10	Bronxville West LLC	Real Estate Inv.	470,400	0.41
	Total		<u>\$ 10,748,881</u>	<u>9.37 %</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
2008	\$ 15,983,878	\$ 15,688,032	98.15 %	\$ 295,820	\$ 15,983,852	100.00 %
2009	16,843,111	16,657,846	98.90	185,238	16,843,084	100.00
2010	17,233,007	16,815,937	97.58	417,042	17,232,979	100.00
2011	18,091,543	17,704,767	97.86	386,742	18,091,509	100.00
2012	18,618,821	18,228,707	97.90	390,078	18,618,785	100.00
2013	19,046,896	18,924,930	99.36	121,929	19,046,859	100.00
2014	19,345,208	19,055,126	98.50	253,349	19,308,475	99.81
2015	19,624,162	19,236,651	98.03	267,340	19,503,991	99.39
2016	19,905,785	19,530,342	98.11	320,329	19,850,671	99.72
2017	20,039,148	19,951,328	99.56	-	19,951,328	99.56

(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		
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	325.05
2015	12,695,837	347,903	12,347,934	0.16	384.37
2016	10,435,253	374,240	10,061,013	0.13	315.93
2017	12,548,436	449,561	12,098,875	0.15	379.91

(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



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<u>Business- type Activities</u>				
<u>General Obligation Bonds</u>	<u>Total Primary Government(1)</u>	<u>Percentage of Personal Income (1)(2)</u>		<u>Per Capita (1)(2)</u>
\$ 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	0.53		343.96
558,558	13,254,395	0.62		401.28
412,820	10,848,073	0.50		328.43
407,769	12,956,205	0.60		392.26

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**Town of Eastchester, New York**

Direct and Overlapping Governmental Activities Debt  
December 31, 2017

<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	\$ 1,122,593,660	3.82 %	\$ 42,919,968
Villages (as of May 31, 2017):			
Tuckahoe	5,993,535	100.00	5,993,535
Bronxville	15,820,000	100.00	15,820,000
School Districts:			
Bronxville (as of June 30, 2017)	8,700,000	100.00	8,700,000
Eastchester (as of June 30, 2017)	37,736,682	100.00	37,736,682
Tuckahoe (as of June 30, 2017)	14,709,650	100.00	<u>14,709,650</u>
Net Overlapping Debt			125,879,835
Net Direct Debt (3)			<u>12,548,436</u>
Net Direct and Overlapping Debt			<u><u>\$ 138,428,271</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

	2008	2009	2010	2011
Debt Limit	\$ 512,524,622	\$ 534,846,657	\$ 536,102,795	\$ 533,317,614
Total Net Debt Applicable to Limit	15,725,612	15,017,852	13,823,220	13,005,687
Legal Debt Margin	\$ 496,799,010	\$ 519,828,805	\$ 522,279,575	\$ 520,311,927
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.07%	2.81%	2.58%	2.44%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessment Roll			State Special Equalization Ratio		Full Valuation
Year	Budget Year	Assessed Valuation			
2016	2017	\$ 100,586,882	1.17	% \$	8,597,169,402
2015	2016	101,553,851	1.22		8,324,086,148
2014	2015	101,384,038	1.27		7,982,995,118
2013	2014	102,109,704	1.41		7,241,822,979
2012	2013	102,943,798	1.49		6,908,979,732
Total Five Year Full Valuation					\$ 39,055,053,379
Five Year Average Full Valuation of Taxable Real Property					7,811,010,676
Debt Limit - 7% of Five Year Average Full Valuation					546,770,747
Outstanding Town Debt Serial Bonds					12,932,169
Less - Appropriations in 2018 Budget					2,842,168
Net Indebtedness Subject to Debt Limit					10,090,001
Net Debt Contracting Margin					\$ 536,680,746

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 520,841,118	\$ 501,349,536	\$ 493,985,785	\$ 507,718,082	\$ 524,527,777	\$ 546,770,747
<u>11,906,469</u>	<u>11,267,000</u>	<u>11,462,220</u>	<u>10,799,983</u>	<u>8,360,002</u>	<u>10,090,001</u>
<u>\$ 508,934,649</u>	<u>\$ 490,082,536</u>	<u>\$ 482,523,565</u>	<u>\$ 496,918,099</u>	<u>\$ 516,167,775</u>	<u>\$ 536,680,746</u>
2.29%	2.25%	2.32%	2.13%	1.59%	1.85%

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## **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

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**Town of Eastchester, New York**

Demographic Statistics  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Income	Town Unemployment Rate (5)	County Unemployment Rate (6)
2008	31,318 (1)	\$ 1,943,125,310	\$ 62,045 (4)	4.60 %	4.80 %
2009	31,318 (1)	1,943,125,310	62,045 (4)	6.50	7.00
2010	31,318 (1)	1,943,125,310	62,045 (4)	6.70	6.90
2011	32,363 (1)	2,007,962,335	62,045 (4)	5.70	6.40
2012	32,363 (1)	1,654,590,738	51,126 (3)	6.20	7.00
2013	32,363 (1)	1,654,590,738	51,126 (3)	4.50	5.10
2014	33,030 (2)	2,154,976,290	65,243 (2)	4.10	4.60
2015	33,030 (2)	2,154,976,290	65,243 (2)	3.40	4.00
2016	33,030 (2)	2,154,976,290	65,243 (2)	3.50	4.00
2017	33,030 (2)	2,154,976,290	65,243 (2)	4.20	4.40

Sources:

- (1) 2008-2010 (2000 U.S. Census), 2011-2013 (2010 U.S. Census)
- (2) U.S. Census Bureau Quick Facts July 1, 2014
- (3) U.S. Bureau of Economic Analysis
- (4) Data not available - used figures from 2007, the latest information available
- (5) NYS Department of Labor - Town of Eastchester
- (6) NYS Department of Labor - Westchester County

**Town of Eastchester, New York**

Principal Employers

Current Year and Nine Years Ago

<u>Employer</u>	2017	
	Employees	Percentage of Total Employment
Lawrence Hospital	1,750	11.01 %
Eastchester School District	558	3.51
Lord & Taylor	500	3.14
Bronxville School District	250	1.57
Town of Eastchester	224	1.41
Tuckahoe School District	192	1.21
Concordia College	152	0.96
Village of Bronxville	170	1.07
Stop & Shop	110	0.69
Village of Tuckahoe	80	0.50
	<u>3,986</u>	<u>25.07 %</u>
<u>Employer</u>	2008	
	Employees	Percentage of Total Employment
Lawrence Hospital	1,200	7.27 %
Lord & Taylor	500	3.03
Eastchester School District	590	3.58
Bronxville School District	280	1.70
Town of Eastchester	223	1.35
Tuckahoe School District	145	0.88
Concordia College	136	0.82
Village of Bronxville	100	0.61
Stop & Shop	89	0.54
Village of Tuckahoe	87	0.53
	<u>3,350</u>	<u>20.31 %</u>

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

Note: Based upon estimated Town employment of 15,900 in 2017 and 16,500 in 2008.

## **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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government	32	35	34	34
Public Safety	70	70	73	73
Transportation	32	34	31	31
Economic Opportunity and Development	21	21	20	20
Culture and Recreation	201	200	192	192
Home and Community Services	<u>21</u>	<u>22</u>	<u>24</u>	<u>24</u>
Total	<u><u>377</u></u>	<u><u>382</u></u>	<u><u>374</u></u>	<u><u>374</u></u>

Source: Town Comptroller's Office

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
31	31	26	30	29	29
63	60	57	66	65	63
28	27	26	28	27	25
18	19	19	18	18	18
180	199	184	204	197	194
<u>22</u>	<u>17</u>	<u>17</u>	<u>25</u>	<u>29</u>	<u>27</u>
<u><u>342</u></u>	<u><u>353</u></u>	<u><u>329</u></u>	<u><u>371</u></u>	<u><u>365</u></u>	<u><u>356</u></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>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government	\$ 1,703,466	\$ 1,772,886	\$ 1,796,324	\$ 1,558,871
Public Safety	5,501,838	5,329,896	5,421,861	5,324,861
Transportation	2,034,154	2,057,719	1,875,142	1,948,078
Economic Opportunity and Development	619,385	594,840	470,286	461,615
Culture and Recreation	2,162,026	2,013,999	2,066,959	1,543,166
Home and Community Services	1,256,468	1,287,205	1,499,783	1,328,619
Lake Isle	<u>1,287,837</u>	<u>1,190,748</u>	<u>855,288</u>	<u>1,055,793</u>
<b>Total</b>	<b><u>\$ 14,565,174</u></b>	<b><u>\$ 14,247,293</u></b>	<b><u>\$ 13,985,643</u></b>	<b><u>\$ 13,221,003</u></b>

Source: Town Comptroller's Office

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 1,518,758	\$ 1,546,935	\$ 1,548,189	\$ 1,512,869	\$ 1,574,286	\$ 1,619,624
5,741,124	5,800,755	5,492,699	5,691,866	5,983,287	5,995,008
1,554,166	1,682,141	1,706,156	1,857,794	1,672,660	1,680,207
673,286	516,101	589,224	568,089	496,131	511,643
1,257,908	1,860,349	1,875,945	2,022,793	2,008,832	2,025,885
1,199,878	1,678,866	1,376,787	1,229,437	1,163,622	1,322,384
795,307	560,036	634,072	632,782	626,289	507,229
<u>\$ 12,740,427</u>	<u>\$ 13,645,183</u>	<u>\$ 13,223,072</u>	<u>\$ 13,515,630</u>	<u>\$ 13,525,107</u>	<u>\$ 13,661,980</u>

**Town of Eastchester, New York**

Operating Indicators By Function/Program  
Last Ten Fiscal Years

	2008	2009	2010	2011
General Government Support				
Assessor's Office				
STAR program exemptions				
Basic	4,448	4,505	4,526	4,285
Enhanced	847	811	815	833
Basic - Co-op	1,750	1,793	1,801	1,726
Enhanced - Co-op	402	398	397	413
Town Attorney's Office				
Claims filed	36	51	39	35
Town Comptroller's Office				
W-2's issued	638	603	564	575
Purchase orders issued	1,048	999	1,011	839
Invoices paid	6,050	6,122	6,030	6,377
Justice Court				
Criminal cases	316	312	252	319
Civil cases	115	142	117	209
V & T cases	5,501	5,404	4,978	5,482
Jury trials	-	1	1	-
Tax Receiver's Office				
Parcels administered				
Town /County /Special Districts	9,156	9,262	9,233	9,235
Eastchester School District	5,111	5,132	5,120	5,121
Tuckahoe School District	2,149	2,239	2,230	2,231
Town Clerk's Office				
Marriage licenses	173	152	152	142
Death certificates	36	37	30	44
Handicap permits	423	532	540	544
FOIL requests (answered)	46	45	45	59
Garth Road resident parking permits	2,282	2,239	2,202	2,206
Dog licenses issued	302	306	286	441
Public Safety				
Police department				
Physical arrests	333	297	354	419
Parking violations	19,062	17,685	16,417	15,652
Traffic violations	5,137	4,776	4,535	4,848
Traffic arrests	132	108	99	191
Town ordinances	61	82	62	68
Building Department				
Building permits issued	1,028	858	973	952
Building C/O's issued	14	8	4	5
Building C/C's issued	179	314	256	251
Planning/Zoning Board				
Planning Board applications	33	23	28	28
Zoning Board / ARB applications	39	14	31	28



2012	2013	2014	2015	2016	2017
4,225	4,103	3,879	3,963	3,655	3,534
831	760	822	798	769	730
1,777	1,759	1,671	1,694	1,565	1,456
404	431	457	462	456	424
28	29	26	18	21	11
555	559	566	609	589	600
1,736	1,800	1,922	976	887	870
5,571	5,534	6,182	5,574	5,709	4,937
411	216	285	297	256	231
99	73	72	64	81	54
5,590	5,659	6,104	5,484	5,109	3,951
-	-	-	-	1	2
9,297	9,227	9,286	9,265	9,267	9,259
5,118	5,119	5,115	5,226	5,229	5,227
2,232	2,227	2,227	2,346	2,345	2,336
132	130	131	136	137	134
39	52	47	33	40	58
573	544	604	590	560	584
52	59	75	35	40	53
2,250	2,302	2,150	2,386	2,127	2,315
440	501	469	488	452	444
326	320	186	455	130	356
15,934	20,603	20,270	20,302	19,924	18,588
5,103	5,308	5,755	5,202	4,608	3,522
181	181	219	265	246	206
123	82	111	95	159	70
913	1,110	1,137	1,159	1,134	1,317
2	6	6	6	2	14
243	260	249	279	275	321
22	13	30	19	29	27
43	43	38	30	39	51

(Continued)

**Town of Eastchester, New York**

Operating Indicators By Function/Program (Continued)  
Last Ten Fiscal Years

	2008	2009	2010	2011
<b>Economic Opportunity and Development</b>				
Section 8 housing assistance program				
House choice vouchers issued	251	248	242	239
Total Vouchers	255	255	255	255
<b>Culture and Recreation</b>				
Recreation				
Adult programs	15	12	7	7
Children's programs	28	28	5	10
Children camps	4	5	8	6
Teen scene	1	1	1	1
Pre-school classes	12	17	4	7
Open gyms	2	2	1	1
Special events	16	17	12	12
Participants in recreation programs				
Adult programs	650	400	5	325
Children's programs	1,200	11	550	650
Children camps	700	750	750	750
Teen scene	250	195	165	121
Pre-school classes	400	325	165	165
Open gyms	100	50	30	30
Special events	7,500	7,500	8,000	8,000
Lake Isle recreational facility				
Resident membership				
Comprehensive	199	167	200	219
Golf	238	199	191	122
Pool	1,394	1,269	1,384	1,443
Tennis	88	75	83	73
Pool and tennis	28	17	16	14
Total Resident Membership	1,947	1,727	1,874	1,871
Non-Resident membership				
Comprehensive	31	36	42	46
Golf	165	128	129	102
Pool	489	381	319	319
Tennis	90	85	82	72
Pool and tennis	20	15	18	15
Total Non-Resident Membership	795	645	590	554
Library				
Volumes in collections	84,433	85,560	86,313	87,880
Periodical/newspaper subscription	208	147	205	153
Audio visual materials	13,002	14,523	14,761	16,670
Circulation materials	219,347	226,676	208,086	221,613
Electronic materials-Downloadable books	1,582	1,959	2,695	8,603
Home and Community Services				
Senior programs				
Congregate meals served	21,153	21,363	20,563	19,647
Home delivered meals	14,149	13,078	16,632	15,460
Medical and shopping trips	6,091	5,557	5,062	6,098

2012	2013	2014	2015	2016	2017
235	226	210	214	215	209
255	255	255	255	255	255
7	7	7	7	7	7
12	14	14	14	14	14
6	8	10	10	10	10
1	1	1	1	1	1
8	8	8	8	8	8
1	N/A	N/A	N/A	N/A	N/A
12	12	12	12	12	12
325	325	325	325	325	325
650	650	750	750	750	750
750	800	900	900	900	900
197	212	140	140	120	80
165	175	175	120	150	100
30	N/A	N/A	N/A	N/A	N/A
8,000	8,000	8,000	8,000	8,000	8,000
172	175	212	187	172	138
153	161	139	155	139	134
1,507	1,435	1,309	1,301	1,346	1,381
60	48	-	-	-	-
16	9	12	8	8	7
1,908	1,828	1,672	1,651	1,665	1,660
32	31	37	28	24	29
75	91	84	82	81	74
279	366	348	327	353	369
34	28	-	-	-	-
9	5	6	5	6	10
429	521	475	442	464	482
90,110	85,495	86,004	83,342	94,307	82,873
144	139	139	139	134	126
12,273	13,955	11,695	10,603	9,662	10,995
215,897	157,277	228,553	228,553	93,001	184,944
56,304	50,668	76,258	76,258	76,281	52,169
19,275	18,220	11,803	11,256	15,892	9,921
13,559	15,302	15,383	15,706	15,128	14,821
4,898	4,755	5,062	7,372	3,259	5,230

(Continued)

**Town of Eastchester, New York**

Operating Indicators By Function/Program (Concluded)  
Last Ten Fiscal Years

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	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Highway				
Trees planted	147	158	141	121
Trees pruned	201	115	78	69
Trees removed	216	124	287	168
Refuse				
Refuse collected in tons	9,583	8,468	8,290	8,276
Recyclables collected -commingled	807	779	787	851
Recyclables collected -newspaper	1,916	1,719	1,743	1,617
Recyclables collected -metal	209	163	170	105

Note: "N/A" indicates data not available.  
Sources: Various Town departments

2012	2013	2014	2015	2016	2017
267	79	80	70	79	68
163	63	125	68	67	56
106	164	157	89	84	64
8,002	7,984	7,888	7,469	7,844	8,123
764	815	779	801	741	865
1,589	1,600	1,585	1,473	1,403	1,472
43	47	48	78	103	151

**Town of Eastchester, New York**

**Capital Asset Statistics By Function/Program  
Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>General Government Support</b>				
Number of general government buildings	4	4	4	4
<b>Public Safety</b>				
Number of police stations	1	1	1	1
Number of fire stations	5	5	5	5
Patrol sectors	4	4	4	4
<b>Transportation</b>				
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
<b>Culture and Recreation</b>				
Number of community centers	2	2	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

2012	2013	2014	2015	2016	2017
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

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**FEDERAL  
AWARDS**

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**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, 2017, 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 27, 2018.

**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*.

## **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.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

February 27, 2018



**Report on Compliance For Each Major Federal Program and Report on  
Internal Control Over Compliance Required by  
the Uniform Guidance**

**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 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, 2017. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance 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, 2017.

## 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 the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

February 27, 2018

**Town of Eastchester, New York**

Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2017

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Sub- Recipients</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		\$ -	\$ 2,655,850
<u>U.S. Department of Health and Human Services</u>				
Indirect Programs				
Passed through County of Westchester				
<i>Aging Cluster</i>				
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	93.044	AGET680217	-	7,649
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	AGET680217	-	77,570
Nutrition Services Incentive Program	93.053	AGET680217	-	19,743
Total U.S. Department of Health and Human Services			-	104,962
Total Expenditures of Federal Awards			\$ -	\$ 2,760,812

(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, 2017

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### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Town of Eastchester, New York ("Town") under programs of the federal government for the year ended December 31, 2017. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Town has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. Pass-through entity identifying numbers are presented where available.



**Town of Eastchester, New York**

Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2017

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None

**Town of Eastchester, New York**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2017

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**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

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 federal 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 federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_ Yes     X  No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish between Type A and Type B programs

\$750,000

Auditee qualified as low-risk auditee?

X  Yes    \_\_\_ No

**Town of Eastchester, New York**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2017

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None