

VILLAGE OF RYE BROOK, NEW YORK

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

YEAR ENDED MAY 31, 2012

WITH INDEPENDENT AUDITORS' REPORT



TABLE OF CONTENTS

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	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	20
Statement of Assets and Liabilities - Fiduciary Fund	21
Notes to Financial Statements	22
Required Supplementary Information - Other Post Employment Benefits - Schedule of Funding Progress - Last Three Fiscal Years	41
Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	
Comparative Balance Sheet	42
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	43
Schedule of Revenues and Other Financing Sources Compared to Budget	45
Schedule of Expenditures and Other Financing Uses Compared to Budget	48
Capital Projects Fund:	
Comparative Balance Sheet	51
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	52
Project Length Schedule	53
Non-Major Governmental Fund -	
Special Purpose Fund:	
Comparative Balance Sheet	55
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	56

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Board of Trustees  
of the Village of Rye Brook, New York:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Rye Brook, New York ("Village") as of and for the year ended May 31, 2012, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village as of May 31, 2012 and the respective changes in financial position, thereof, and the respective budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

O'CONNOR DAVIES, LLP

500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | [www.odpkf.com](http://www.odpkf.com)

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*O'Connor Davies, LLP*

**O'Connor Davies, LLP**

Harrison, New York

November 15, 2012

**Village of Rye Brook, New York**  
**Management's Discussion and Analysis (MD&A)**  
**May 31, 2012**

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**Introduction**

The management of the Village of Rye Brook, New York ("Village"), offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2012. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

It is still noteworthy to report that the Governmental Accounting Standards Board ("GASB") issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in February 2009. The requirements of GASB Statement No. 54 are effective for financial statements for periods ending May 31, 2012 and moving forward. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces 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 government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance

resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

### **Financial Highlights**

- ❖ On the government-wide financial statements, the assets of the Village exceeded its liabilities at the close of fiscal year 2012 by \$24,115,007. Of this amount, a net unrestricted deficit of \$3,614,983 exists.
- ❖ As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$8,025,813 of which \$3,539,671 is unassigned, which is available for spending at the Village's discretion. The fund balance of all governmental funds increased by \$801,951, primarily attributable revenues and other financing sources exceeding expenditures and other financing uses.
- ❖ At the end of the fiscal years 2012 and 2011, the unassigned fund balance for the General Fund was \$3,539,671 or 20% and \$3,193,503 or 19% respectively of total General Fund expenditures and other financing uses.
- ❖ During the current fiscal year, the Village issued no new long-term obligations. Other long-term liabilities were reduced by \$705,000 in scheduled payments.
- ❖ During the current fiscal year, the Village issued short-term obligations (bond anticipation notes) in the amount of \$238,000 at an interest rate of 1.57%. Existing bond anticipation notes used to finance the cost of various capital projects were reduced by \$108,000.

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

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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 Village's finances, in a manner similar to a private-sector business.



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

The statement of activities presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets 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 and earned but unused vacation leave).

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

## **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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Village, 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 Village can be divided into two categories: governmental 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 Village maintains two major governmental funds: the General Fund and the Capital Projects Fund. This information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Friends of Rye Brook and the Recreation Trust Fund are grouped together as a Special Purpose non-major governmental fund.

Budgetary comparison statements have been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budget.

### **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 Village programs. The Village maintains one type of fiduciary fund, an Agency Fund. Resources in the Agency Fund are held by the Village 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.

## **Notes to the Financial Statements**

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

## **Other Information**

Additional statements and schedules can be found immediately following the notes to the financial statements and include combining and individual fund financial statements and schedules of budgets to actual comparisons.

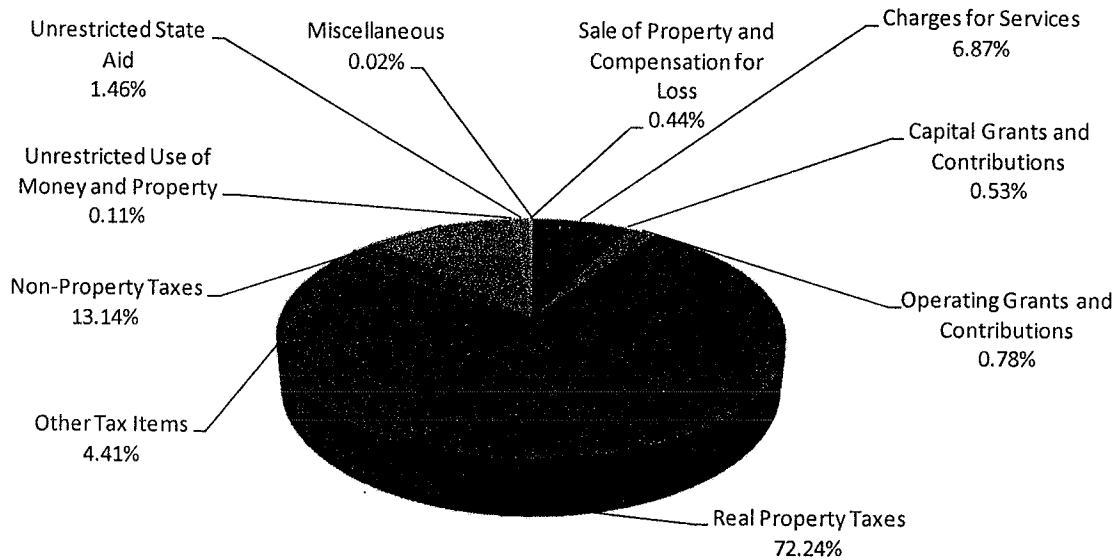
## **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the Village, assets exceeded liabilities by \$24,115,007 at the close of the fiscal year 2011-2012. The largest portion of the Village's net assets is its investment in capital assets (land, land improvements, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Village's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

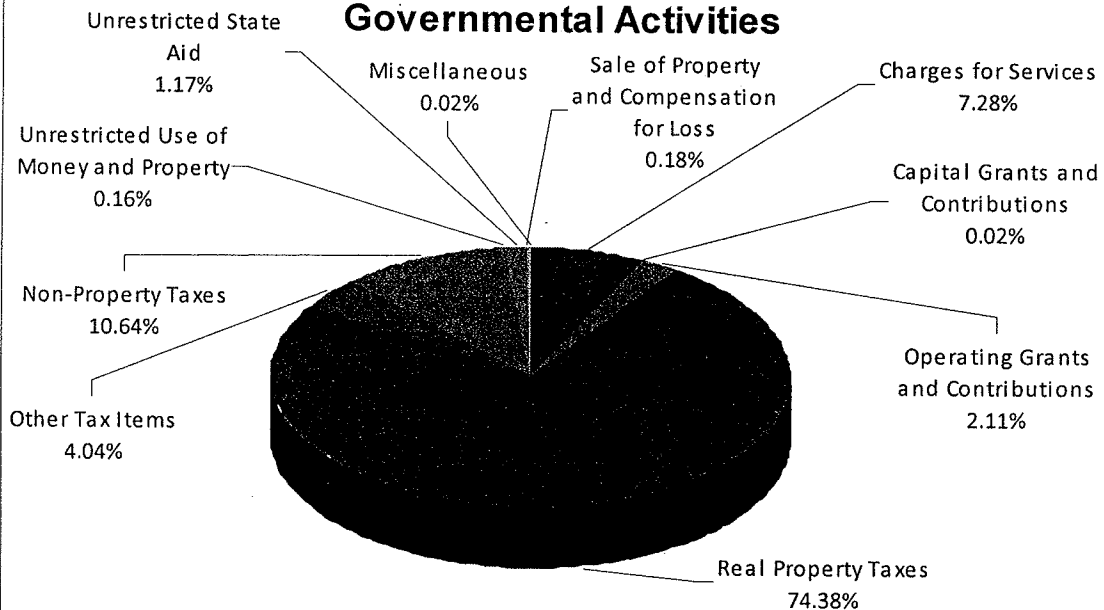
The following table reflects the condensed Statement of Net Assets:

	May 31,	
	2012	2011
Current Assets	\$ 9,066,186	\$ 8,159,067
Capital Assets, net	<u>29,400,671</u>	<u>30,009,432</u>
Total Assets	<u>38,466,857</u>	<u>38,168,499</u>
Current Liabilities	1,023,378	909,250
Long-term Liabilities	<u>13,328,472</u>	<u>12,520,242</u>
Total Liabilities	<u>14,351,850</u>	<u>13,429,492</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	25,454,304	25,383,607
Restricted	2,275,686	1,972,557
Unrestricted	<u>(3,614,983)</u>	<u>(2,617,157)</u>
Total Net Assets	<u>\$ 24,115,007</u>	<u>\$ 24,739,007</u>

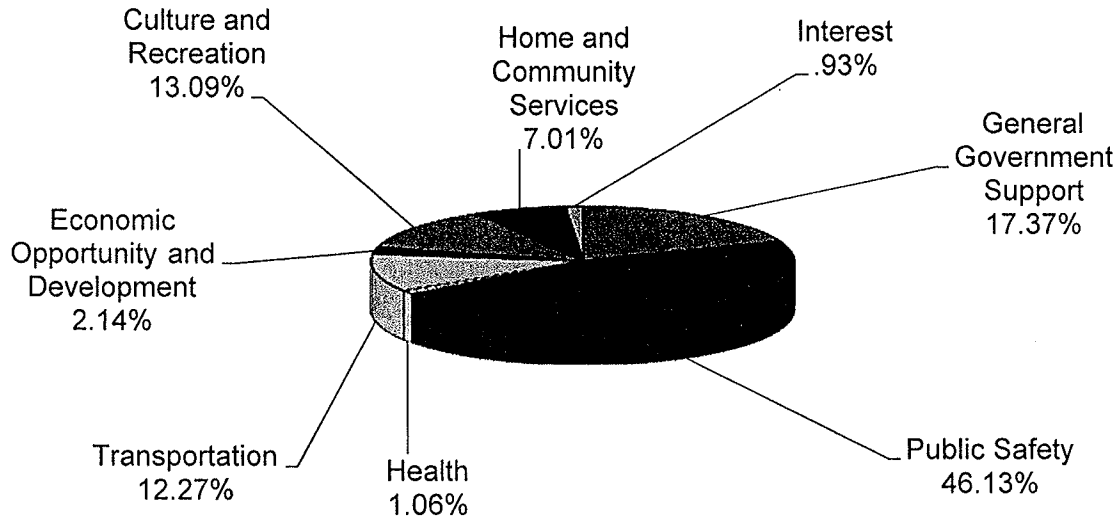
## Sources of Revenue for Fiscal Year 2012 Governmental Activities



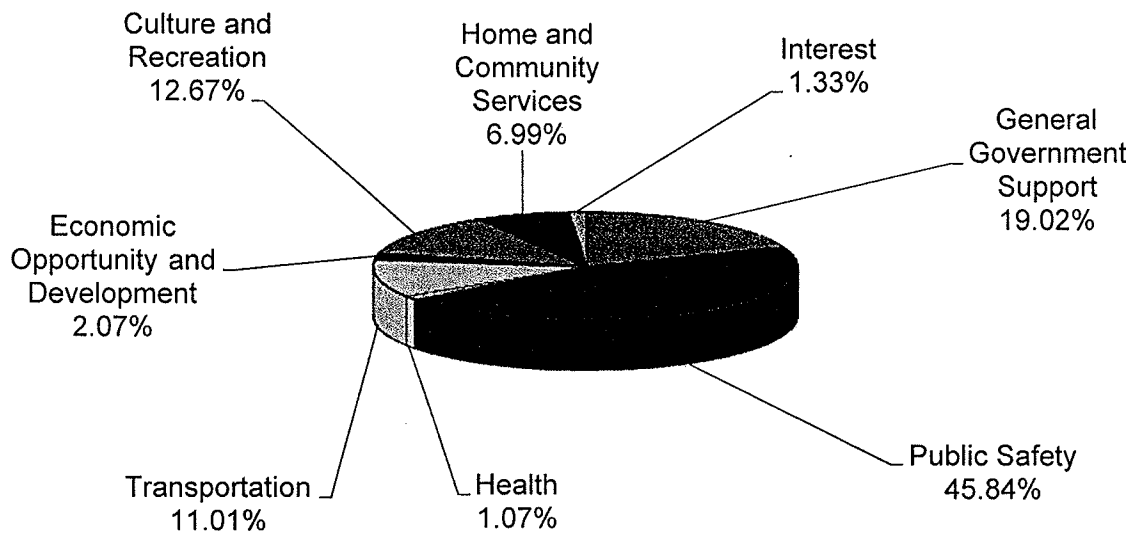
## Sources of Revenue for Fiscal Year 2011 Governmental Activities



### Sources of Expenses for Fiscal Year 2012 Governmental Activities



### Sources of Expenses for Fiscal Year 2011 Governmental Activities



**Change in Net Assets  
Fiscal Year Ended May 31,**

	<u>2012</u>	<u>2011</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,246,172	\$ 1,284,303
Operating Grants and Contributions	96,693	371,117
Capital Grants and Contributions	141,154	3,106
Total Program Revenues	<u>1,484,019</u>	<u>1,658,526</u>
General Revenues:		
Real Property Taxes	13,103,226	13,113,079
Other Tax Items	800,705	712,633
Non-Property Taxes	2,383,443	1,876,028
Unrestricted Use of Money and Property	20,585	28,434
Unrestricted State Aid	262,825	205,896
Sale of Property and Compensation for Loss	79,497	32,307
Miscellaneous	3,424	3,012
Total General Revenues	<u>16,653,705</u>	<u>15,971,389</u>
Total Revenues	<u>18,137,724</u>	<u>17,629,915</u>
Program Expenses:		
General Government Support	3,258,544	3,534,051
Public Safety	8,655,504	8,518,204
Health	198,842	198,842
Transportation	2,301,342	2,045,566
Economic Opportunity and Development	401,786	384,150
Culture and Recreation	2,456,559	2,354,346
Home and Community Services	1,315,451	1,298,577
Interest	173,696	246,378
Total Expenses	<u>18,761,724</u>	<u>18,580,114</u>
Change in Net Assets	(624,000)	(950,199)
Net Assets - Beginning	<u>24,739,007</u>	<u>25,689,206</u>
Net Assets - Ending	<u>\$ 24,115,007</u>	<u>\$ 24,739,007</u>

## **Governmental Activities**

Governmental activities decreased the Village's net assets by \$624,000 and \$950,199 in 2012 and 2011 respectively.

For the fiscal years ended May 31, 2012 and 2011, revenues from governmental activities totaled \$18,137,724 and \$17,629,915, respectively. Tax revenues (\$16,287,374, in 2012 and \$15,701,740 in 2011), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (90% in 2012 and 89% in 2011).

The largest components of governmental activities' expenses are public safety (46% in 2012 and 2011), general government support (17% in 2012 and 19% in 2011) and culture and recreation (13% in 2012 and 2011). The major changes are as follows:

### **Revenues:**

- Total general revenues increased \$682,315 or 4.3% with real property taxes decreasing by \$9,853 due to a decrease in the tax levy, non-property taxes increasing by \$507,415 due to the Arrowood and Hilton hotels being on the hotel tax roster for their first full year, other tax items increasing by \$88,072 and the sale of property and compensation for loss increasing by \$47,190.
- Unrestricted State aid increased by \$56,929 mainly due to an increase in mortgage tax and per-capita receipts remaining consistent with the prior year.

### **Expenses:**

- Total general expenses increased by \$181,610 or 1% mainly due to increases in transportation of \$255,776, culture and recreation of \$102,213, a decrease in general government support of \$275,507 and all other functions/programs increasing by a total of \$99,128.

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

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

### **Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$8,025,813. Of this amount \$303,737 has been classified as non-spendable, \$3,050,548 has been classified as restricted, \$1,131,857 has been classified as assigned and \$3,539,671 has been classified as unassigned.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,539,671, representing 67% of the total General Fund balance of \$5,289,666. Revenues and other financing sources were \$17,969,888, which was \$811,290 greater than the final budget. The major areas where revenues exceeded the budget were non-property taxes, other tax items and departmental income. Expenditures and other financing uses were \$17,440,750, which was \$306,962 less than the final budget.

## **Capital Assets and Debt Administration**

### **Capital Assets**

The Village's investment in capital assets for governmental activities at May 31, 2012, net of \$19,693,485 of accumulated depreciation, was \$29,400,671. This investment in capital assets includes land, land improvements, buildings and improvements, machinery and equipment and construction-in-progress.

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

<b>Capital Assets May 31,</b>		
<u>Class</u>	<u>2012</u>	<u>2011</u>
Land	\$ 12,112,871	\$ 12,112,871
Land Improvements	5,864,324	5,768,619
Building and Improvements	7,688,148	7,408,951
Machinery and Equipment	3,923,871	4,350,444
Infrastructure	19,495,927	19,442,969
Construction-in-Progress	9,015	179,540
Less - accumulated depreciation	<u>(19,693,485)</u>	<u>(19,253,962)</u>
Total (net of depreciation)	<u>\$ 29,400,671</u>	<u>\$ 30,009,432</u>

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



### **Long-Term Debt /Short-Term Debt**

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$4,670,000. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

During the current fiscal year, the Village issued \$238,000 of short-term debt (bond anticipation notes), and paid down \$108,000 (all from General Fund appropriations) on existing bond anticipation notes for capital projects.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a "constitutional debt limit". This debt limit is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property within the Village. At May 31, 2012, the Village had exhausted 2.53% of its constitutional debt capacity, and accordingly has the authority to issue up to an additional \$193,127,283 of general obligation long-term debt.

Additional information on the Village's long-term and short-term debt can be found in Note 3 in the notes to the financial statements.

### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Rye Brook, New York's finances. Questions and comments concerning any of the information provided in this report should be addressed to Diane DiSanto, Treasurer, Village of Rye Brook, 938 King Street, Rye Brook, New York 10573.

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VILLAGE OF RYE BROOK, NEW YORK

STATEMENT OF NET ASSETS  
MAY 31, 2012

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 6,707,937
Investments	1,142,917
Receivables:	
Taxes	96,621
Accounts	278,587
State and Federal aid	1,863
Due from other governments	498,704
Prepaid expenses	303,737
Deferred charges	35,820
Capital assets:	
Not being depreciated	12,121,886
Being depreciated, net	17,278,785
	<hr/>
Total Assets	38,466,857
	<hr/>
<b>LIABILITIES</b>	
Accounts payable	240,086
Accrued liabilities	178,261
Deposits and other liabilities	5,265
Due to retirement systems	222,491
Unearned revenues	90,200
Bond anticipation notes payable	268,250
Accrued interest payable	18,825
Non-current liabilities:	
Due within one year	826,000
Due in more than one year	12,502,472
	<hr/>
Total Liabilities	14,351,850
	<hr/>
<b>NET ASSETS (DEFICIT)</b>	
Invested in capital assets, net of related debt	25,454,304
Restricted for:	
Capital projects	1,751,936
Debt service	314,401
Special purposes	209,349
Unrestricted	(3,614,983)
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Total Net Assets	\$ 24,115,007
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF RYE BROOK, NEW YORK

STATEMENT OF ACTIVITIES  
YEAR ENDED MAY 31, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government support	\$ 3,258,544	\$ 67,100	\$ -	\$ -	\$ (3,191,444)
Public safety	8,655,504	433,761	14,966	-	(8,206,777)
Health	198,842	-	-	-	(198,842)
Transportation	2,301,342	40,000	70,945	62,250	(2,128,147)
Economic opportunity and development	401,786	-	-	-	(401,786)
Culture and recreation	2,456,559	590,458	177	-	(1,865,924)
Home and community services	1,315,451	114,853	10,605	76,447	(1,113,546)
Interest	173,696	-	-	2,457	(171,239)
Total Governmental Activities	<u>\$ 18,761,724</u>	<u>\$ 1,246,172</u>	<u>\$ 96,693</u>	<u>\$ 141,154</u>	<u>(17,277,705)</u>
General Revenues:					
Real property taxes					13,103,226
Other tax items:					
Payments in lieu of taxes					790,759
Interest and penalties on real property taxes					9,946
Non-property taxes:					
Non-property tax distribution from County					1,234,550
Utilities gross receipts taxes					226,754
Hotel occupancy tax					717,377
Franchise fees					204,762
Unrestricted use of money and property					20,585
Sale of property and compensation for loss					79,497
Unrestricted State aid					262,825
Miscellaneous					3,424
Total General Revenues					<u>16,653,705</u>
Change in Net Assets					(624,000)
Net Assets - Beginning					<u>24,739,007</u>
Net Assets - Ending					<u>\$ 24,115,007</u>

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

VILLAGE OF RYE BROOK, NEW YORK

BALANCE SHEET  
GOVERNMENTAL FUNDS  
MAY 31, 2012

	General	Capital Projects	Other Governmental	Total Governmental Funds
<b>ASSETS</b>				
Cash and Equivalents	\$ 5,224,203	\$ 1,252,514	\$ 231,220	\$ 6,707,937
Investments	1,142,917	-	-	1,142,917
Taxes Receivable	96,621	-	-	96,621
Other Receivables:				
Accounts	278,587	-	-	278,587
State and Federal aid	1,863	-	-	1,863
Due from other governments	422,257	76,447	-	498,704
Due from other funds	8,028	1,504,520	16,157	1,528,705
Prepaid Expenditures	303,737	-	-	303,737
Total Assets	<u>\$ 7,478,213</u>	<u>\$ 2,833,481</u>	<u>\$ 247,377</u>	<u>\$ 10,559,071</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 201,653	\$ 38,433	\$ -	\$ 240,086
Accrued liabilities	178,261	-	-	178,261
Deposits and other liabilities	5,265	-	-	5,265
Due to retirement systems	222,491	-	-	222,491
Due to other funds	1,490,677	-	38,028	1,528,705
Deferred revenues	90,200	-	-	90,200
Bond anticipation notes payable	-	268,250	-	268,250
Total Liabilities	<u>2,188,547</u>	<u>306,683</u>	<u>38,028</u>	<u>2,533,258</u>
Fund Balances:				
Nonspendable	303,737	-	-	303,737
Restricted	314,401	2,526,798	209,349	3,050,548
Assigned	1,131,857	-	-	1,131,857
Unassigned	3,539,671	-	-	3,539,671
Total Fund Balances	<u>5,289,666</u>	<u>2,526,798</u>	<u>209,349</u>	<u>8,025,813</u>
Total Liabilities and Fund Balances	<u>\$ 7,478,213</u>	<u>\$ 2,833,481</u>	<u>\$ 247,377</u>	<u>\$ 10,559,071</u>

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

VILLAGE OF RYE BROOK, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS  
MAY 31, 2012

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Fund Balances - Total Governmental Funds	\$ 8,025,813
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Amounts Reported for Governmental Activities in the Statement of Net  
Assets are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	29,400,671
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Governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	35,820
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Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(18,825)
Bonds payable	(4,757,049)
Compensated absences	(1,061,838)
Other post employment benefit obligations payable	(7,509,585)
	(13,347,297)

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Net Assets of Governmental Activities	\$ 24,115,007
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF RYE BROOK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED MAY 31, 2012

	General	Capital Projects	Other Governmental	Total Governmental Funds
Revenues:				
Real property taxes	\$ 13,103,226	\$ -	\$ -	\$ 13,103,226
Other tax items	800,705	-	-	800,705
Non-property taxes	2,383,443	-	-	2,383,443
Departmental income	1,012,617	-	-	1,012,617
Intergovernmental charges	154,853	-	-	154,853
Use of money and property	23,042	-	177	23,219
Fines and forfeitures	60,345	-	-	60,345
State aid	311,609	138,697	-	450,306
Federal aid	37,127	-	-	37,127
Miscellaneous	3,424	-	28,962	32,386
Total Revenues	17,890,391	138,697	29,139	18,058,227
Expenditures:				
Current:				
General government support	2,711,722	-	-	2,711,722
Public safety	5,234,386	-	-	5,234,386
Health	198,842	-	-	198,842
Transportation	1,020,079	-	-	1,020,079
Economic opportunity and development	255,124	-	-	255,124
Culture and recreation	1,566,068	-	14,863	1,580,931
Home and community services	1,216,737	-	-	1,216,737
Employee benefits	3,500,269	-	-	3,500,269
Debt service:				
Principal	705,000	-	-	705,000
Interest	187,523	-	-	187,523
Capital outlay	-	725,160	-	725,160
Total Expenditures	16,595,750	725,160	14,863	17,335,773
Excess (Deficiency) of Revenues Over Expenditures	1,294,641	(586,463)	14,276	722,454
Other Financing Sources (Uses):				
Insurance recoveries	79,497	-	-	79,497
Transfers in	-	875,000	-	875,000
Transfers out	(845,000)	-	(30,000)	(875,000)
Total Other Financing Sources (Uses)	(765,503)	875,000	(30,000)	79,497
Net Change in Fund Balances	529,138	288,537	(15,724)	801,951
Fund Balances - Beginning of Year	4,760,528	2,238,261	225,073	7,223,862
Fund Balances - End of Year	\$ 5,289,666	\$ 2,526,798	\$ 209,349	\$ 8,025,813

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

VILLAGE OF RYE BROOK, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED MAY 31, 2012

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

Net Change in Fund Balances - Total Governmental Funds	\$ 801,951
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount may be less than the total capital outlay since capital outlay includes amounts under the capitalization threshold. This is the amount by which depreciation expense exceeded capital outlays in the current period.	
Capital outlay expenditures	390,348
Depreciation expense	(999,109)
	(608,761)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on serial bonds	705,000
Amortization of issuance costs, loss on refunding and premium	2,317
	707,317
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	1,275
Claims payable	369,000
Compensated absences	(25,854)
Other post employment benefit obligations	(1,868,928)
	(1,524,507)
Change in Net Assets of Governmental Activities	\$ (624,000)

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



VILLAGE OF RYE BROOK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED MAY 31, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 13,103,226	\$ 13,103,226	\$ 13,103,226	\$ -
Other tax items	607,000	607,000	800,705	193,705
Non-property taxes	1,952,500	1,952,500	2,383,443	430,943
Departmental income	936,500	936,500	1,012,617	76,117
Intergovernmental charges	148,720	148,720	154,853	6,133
Use of money and property	25,000	25,000	23,042	(1,958)
Fines and forfeitures	50,000	50,000	60,345	10,345
Sale of property and compensation for loss	5,000	5,000	-	(5,000)
State aid	294,052	294,052	311,609	17,557
Federal aid	-	-	37,127	37,127
Miscellaneous	11,600	11,600	3,424	(8,176)
Total Revenues	17,133,598	17,133,598	17,890,391	756,793
Expenditures:				
Current:				
General government support	2,549,285	2,753,969	2,711,722	42,247
Public safety	5,243,694	5,271,060	5,234,386	36,674
Health	203,016	203,016	198,842	4,174
Transportation	1,122,344	1,041,218	1,020,079	21,139
Economic opportunity and development	270,190	261,802	255,124	6,678
Culture and recreation	1,631,523	1,629,723	1,566,068	63,655
Home and community services	1,342,723	1,252,048	1,216,737	35,311
Employee benefits	3,643,800	3,593,739	3,500,269	93,470
Debt service:				
Principal	705,000	705,000	705,000	-
Interest	191,137	191,137	187,523	3,614
Total Expenditures	16,902,712	16,902,712	16,595,750	306,962
Excess of Revenues Over Expenditures	230,886	230,886	1,294,641	1,063,755
Other Financing Sources (Uses):				
Insurance recoveries	25,000	25,000	79,497	54,497
Transfers out	(845,000)	(845,000)	(845,000)	-
Total Other Financing Sources (Uses)	(820,000)	(820,000)	(765,503)	54,497
Net Change in Fund Balance	(589,114)	(589,114)	529,138	1,118,252
Fund Balance - Beginning of Year	589,114	589,114	4,760,528	4,171,414
Fund Balance - End of Year	\$ -	\$ -	\$ 5,289,666	\$ 5,289,666

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

VILLAGE OF RYE BROOK, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES

FIDUCIARY FUND

MAY 31, 2012

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	<u>Agency</u>
<b>ASSETS</b>	
Cash - Demand deposits	<u>\$ 55,039</u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 4,068
Employee Payroll Deductions	4,345
Deposits	<u>46,626</u>
Total Liabilities	<u>\$ 55,039</u>

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

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

The Village of Rye Brook, New York ("Village") was incorporated in 1982 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Administrator serves as the chief administrative officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Village 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 Village's more significant accounting policies:

**A. Financial Reporting Entity**

The financial reporting entity consists of a) the primary government which is the Village, b) organizations for which the Village is financially accountable and c) other organizations for which the nature and significance of their relationship with the Village 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 Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village'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 Assets and the Statement of Activities) report information on all non-fiduciary activities of the Village as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Assets presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment is 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 Village 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Fund Financial Statements**

The accounts of the Village 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, liabilities, fund balances, revenues and expenditures. 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 Village 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 explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in two 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 Village's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the Village in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

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.

The Village also reports the following non-major governmental fund -

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

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

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

- b. Fiduciary Funds - (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others.

**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 reports.

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

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

**Deposits, Investments and Risk Disclosure**

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

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

The Village's investment policies are governed by State statutes. The Village 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 Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the Village's policy provides for no credit risk on investments.

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

Custodial credit risk is the risk that in the event of a bank failure, the Village'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 Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2012.

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

**Investments** - All investments are stated at fair value and/or amortized cost, which approximates fair value. The detail of these investments and their related risks are described in Note 3.A.

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property as of May 1st and are levied and payable in two installments due in June and February. The Town of Rye is responsible for the billing and collection of the Village's real property taxes.

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

**Due From/To Other Funds** - During the course of its operations, the Village 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 May 31, 2012, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**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 district-wide and fund financial statements. Prepaid expenses/expenditures consist of

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012

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

insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by a reservation of fund balance which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Deferred Charges** - Deferred charges in the government-wide financial statements represent the unamortized portion of the cost of issuance of bonds. These costs are being amortized over the term of the respective bond issue.

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

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 Village are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Land improvements	20
Buildings and improvements	15 - 45
Machinery and equipment	5 - 20
Infrastructure	15 - 50

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

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

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported deferred revenues of \$90,200 within the General Fund for hotel tax. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**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 Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the

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

bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

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

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Assets 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 Assets** - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, debt service and special purposes. The balance is classified as unrestricted.

**Fund Balance** - Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Village District 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) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is to be 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 will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law or Education Law.

Committed fund balance will be 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. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the entity's governing board.



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

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village'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 Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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 November 15, 2012.

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

**A. Budgetary Data**

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes proposed expenditures and the means of financing for all funds.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- f) The budget for the General Fund is legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not legally adopted by the Board for the Special Purpose Fund.
- g) The Village Board of Trustees 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 Village Administrator. However, any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations require a majority vote by the Board.
- h) Appropriations in the General Fund 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 Board of Trustees.

**B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2011-2012 was \$56,615,024 which exceeded the actual levy by \$43,711,798. (See Note 5).

**Note 2 - Stewardship, Compliance and Accountability (Continued)****C. Capital Projects Fund Deficits**

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

**Note 3 - Detailed Notes on All Funds****A. Taxes Receivable**

Taxes receivable at May 31, 2012 consisted of the following -

Current Year	\$ <u>96,621</u>
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**B. Due From/To Other Funds**

The balances reflected as due from/to other funds at May 31, 2012 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 8,028	\$ 1,490,677
Capital Projects	1,504,520	-
Non-Major Governmental	16,157	38,028
	<u>\$ 1,528,705</u>	<u>\$ 1,528,705</u>

**C. Capital Assets**

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

<u>Class</u>	<u>Balance June 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2012</u>
Capital Assets, not being depreciated:				
Land	\$ 12,112,871	\$ -	\$ -	\$ 12,112,871
Construction-in-Progress	179,540	-	170,525	9,015
Total Capital Assets, not being depreciated	<u>\$ 12,292,411</u>	<u>\$ -</u>	<u>\$ 170,525</u>	<u>\$ 12,121,886</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012**Note 3 - Detailed Notes on All Funds (Continued)**

Class	Balance June 1, 2011	Additions	Deletions	Balance May 31, 2012
Capital Assets, being depreciated:				
Land Improvements	\$ 5,768,619	\$ 95,705	\$ -	\$ 5,864,324
Buildings and Improvements	7,408,951	280,147	950	7,688,148
Machinery and Equipment	4,350,444	132,063	558,636	3,923,871
Infrastructure	19,442,969	52,958	-	19,495,927
Total Capital Assets, being depreciated	36,970,983	560,873	559,586	36,972,270
Less Accumulated Depreciation for:				
Land Improvements	1,202,365	292,814	-	1,495,179
Buildings and Improvements	1,752,659	172,962	950	1,924,671
Machinery and Equipment	3,540,779	190,054	558,636	3,172,197
Infrastructure	12,758,159	343,279	-	13,101,438
Total Accumulated Depreciation	19,253,962	999,109	559,586	19,693,485
Total Capital Assets, being depreciated, net	\$ 17,717,021	\$ (438,236)	\$ -	\$ 17,278,785
Capital Assets, net	\$ 30,009,432	\$ (438,236)	\$ 170,525	\$ 29,400,671

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

General Government Support	\$ 79,547
Public Safety	182,546
Transportation	313,549
Culture and Recreation	328,421
Home and Community Services	95,046
Total Depreciation Expense	\$ 999,109

**D. Accrued Liabilities**

The Village has reported accrued liabilities for payroll and employee benefits of \$178,261 in the General Fund.

**E. Pension Plans**

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

MAY 31, 2012

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

Funding Policy - The Systems are non-contributory except for employees in tiers 3 and 4 that joined ERS in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary, employees in tier 5 who also contribute 3% of their salary without regard to years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to year of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2012 are as follows:

	<u>Tier/Plan/Option</u>	<u>Rate</u>
ERS	3/A14/41J	18.60%
	4/A15/41J	18.60
	5/A15	15.10
PFRS	2/384D	25.10

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

	<u>ERS</u>	<u>PFRS</u>
2012	\$ 439,442	\$ 676,489
2011	308,608	611,112
2010	226,677	530,864

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

The current year ERS and PFRS contributions were charged to the General Fund.

**F. Short-Term Capital Borrowings - Bond Anticipation Notes**

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance June 1, 2011</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance May 31, 2012</u>
Police Vehicles- 2007	2006	-	- %	\$ 9,500	\$ -	\$ 9,500	\$ -
Highway Vehicles	2006	-	-	23,250	-	23,250	-
Sidewalk Improvement Project	2007	-	-	37,500	-	37,500	-
Base Station Radio Replacement	2007	-	-	7,500	-	7,500	-
Purchase of Dump Truck	2007	09/11	1.73	60,500	-	30,250	30,250
Parks and Recreation Maintenance Vehicle	2012	01/13	1.57	-	50,000	-	50,000
Jacqueline Lane Drainage	2012	01/13	1.57	-	75,000	-	75,000
Village Hall Standby Generator	2012	01/13	1.57	-	45,000	-	45,000
Accounting and Records Retention Software	2012	01/13	1.57	-	40,000	-	40,000
Village Administration Passenger Vehicle	2012	01/13	1.57	-	28,000	-	28,000
				<u>\$ 138,250</u>	<u>\$ 238,000</u>	<u>\$ 108,000</u>	<u>\$ 268,250</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012**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 \$2,504 were recorded in the fund financial statements in the General Fund. Interest expense of \$3,141 was recorded in the government-wide financial statements for governmental activities.

**G. Long-Term Liabilities**

The following table summarizes changes in the Village's long-term liabilities for the year ended May 31, 2012:

	Balance June 01, 2011	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2012	Due Within One-Year
Bonds Payable	\$ 5,375,000	\$ -	\$ 705,000	\$ 4,670,000	\$ 720,000
Add - Unamortized premium on bonds	124,520	-	18,090	106,430	-
Add - Deferred amounts on refunding	(24,919)	-	(5,538)	(19,381)	-
	<u>5,474,601</u>	<u>-</u>	<u>717,552</u>	<u>4,757,049</u>	<u>720,000</u>
Other Non-current Liabilities:					
Claims payable	369,000	-	369,000	-	-
Compensated Absences	1,035,984	129,854	104,000	1,061,838	106,000
Other Post Employment Benefit Obligations Payable	<u>5,640,657</u>	<u>2,567,621</u>	<u>698,693</u>	<u>7,509,585</u>	<u>-</u>
Total Non-current Liabilities	<u>7,045,641</u>	<u>2,697,475</u>	<u>1,171,693</u>	<u>8,571,423</u>	<u>106,000</u>
Total Long-Term Liabilities	<u>\$ 12,520,242</u>	<u>\$ 2,697,475</u>	<u>\$ 1,889,245</u>	<u>\$ 13,328,472</u>	<u>\$ 826,000</u>

Each governmental fund's liability for bonds, compensated absences and other post employment benefit obligations are liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012**Note 3 - Detailed Notes on All Funds (Continued)****Bonds Payable**

Bonds payable at May 31, 2012 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2012
Various Village Purposes	1998	\$ 896,000	April, 2023	4.90 %	\$ 155,000
Various Village Purposes	2003	3,100,000	September, 2018	3.25-4.50	1,915,000
Various Village Purposes-Refunding	2009	1,560,000	November, 2016	2.00-6.00	930,000
Various Village Purposes	2010	2,200,000	November, 2020	2.00-5.00	1,670,000
					<u>\$ 4,670,000</u>

Interest expenditures of \$185,019 were recorded in the fund financial statements. Interest expense of \$170,555 was recorded in the government-wide financial statements.

The annual requirements to amortize all bonded debt outstanding as of May 31, 2012 including interest payments of \$797,575 are as follows:

Year Ending May 31,	Principal	Interest	Total
2013	\$ 720,000	\$ 162,902	\$ 882,902
2014	680,000	141,588	821,588
2015	610,000	121,950	731,950
2016	625,000	100,576	725,576
2017	370,000	79,388	449,388
2018-2022	1,500,000	184,158	1,684,158
2023	165,000	7,013	172,013
	<u>\$ 4,670,000</u>	<u>\$ 797,575</u>	<u>\$ 5,467,575</u>

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

**Compensated Absences**

Pursuant to the terms of existing collective bargaining agreements, certain employees are permitted to accumulate sick and personal leave. The maximum accumulation varies with each agreement. Upon termination, employees will be compensated for such accumulated leave at varying amounts according to the terms of each agreement. The value of the compensated absences has been reflected in the government-wide financial statements.

**Note 3 - Detailed Notes on All Funds (Continued)****Other Post Employment Benefit Obligations Payable**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing post-employment health care benefits is shared between the Village and the retired employee. Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. The cost of retiree health care benefits is recognized as expenditure as claims are paid in the fund financial statements. The Village has recognized revenues and expenditures of \$5,048 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

The Village'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 45. GASB Statement 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Village 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 rate increase in postretirement benefits is as follows

<u>Year</u>	<u>Medical Rates</u>
2013	7.5 %
2014	7.0
2015	6.5
2016	6.0
2017	5.5
2018	5.0



NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012**Note 3 - Detailed Notes on All Funds (Continued)**

The amortization basis is the level percentage of payroll method with a closed group amortization approach with 26 years remaining in the amortization period. The actuarial assumptions include a 4% rate of return. The entry age method was used to determine the actuarial value of the assets of the OPEB plan, however, the Village currently has no assets set aside for the purpose of paying postemployment benefits. The actuarial cost method utilized was the entry age method.

The number of participants as of May 31, 2012 was as follows:

Active Employees	99
Retired Employees	<u>12</u>
Total	<u>111</u>

## Amortization Component:

Actuarial Accrued Liability as of June 1, 2011	\$ 30,844,976
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 30,844,976</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 5,572,477</u>
UAAL as a Percentage of Covered Payroll	<u>553.52%</u>
Annual Required Contribution	\$ 2,598,149
Adjustment on annual required contribution	(256,155)
Interest on Net OPEB Obligation	<u>225,627</u>
Annual OPEB Cost	2,567,621
Contributions Made	<u>(698,693)</u>
Increase in Net OPEB Obligation	1,868,928
Net OPEB Obligation - beginning of year	<u>5,640,657</u>
Net OPEB Obligation - end of year	<u>\$ 7,509,585</u>

The Village annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding year is as follows:

Fiscal Year Ended May 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 2,567,621	27.21 %	\$ 7,509,585
2011	2,556,512	23.10	\$ 5,640,657
2010	2,424,335	22.54	3,674,758

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012

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

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 actual accrued liability for the benefits over time.

**H. Revenues and Expenditures****Interfund Transfers**

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

<u>Transfers Out</u>	<u>Transfer In</u> <u>Capital</u> <u>Projects</u> <u>Fund</u>
General Fund	\$ 845,000
Non-Major Govern- mental Fund	<u>30,000</u>
	<u>\$ 875,000</u>

Transfers are used to 1) move amounts earmarked in the General Fund to fulfill commitments for Capital Projects Fund expenditures. 2) move amounts earmarked in the Special Purpose Fund to fulfill commitments in the Capital Projects Fund.

**I. Net Assets**

The components of net assets are detailed below:

*Invested in Capital Assets, net of Related Debt* - the component of net assets 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 assets that reports the amounts restricted for capital projects, less unexpended bond proceeds and unrestricted interest earnings.

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

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

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

VILLAGE OF RYE BROOK, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2012

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

**J. Fund Balances**

	2012				2011			
	General Fund	Capital Projects	Non-Major Governmental Funds	Total	General Fund	Capital Projects	Non-Major Governmental Funds	Total
Nonspendable -								
Prepaid expenditures	\$ 303,737	\$ -	\$ -	\$ 303,737	\$ 296,967	\$ -	\$ -	\$ 296,967
Restricted:								
Capital projects	-	2,526,798	-	2,526,798	-	2,238,261	-	2,238,261
Debt service	314,401	-	-	314,401	311,944	-	-	311,944
Parklands	-	-	183,383	183,383	-	-	213,207	213,207
Trusts	-	-	25,966	25,966	-	-	11,866	11,866
Total Restricted	314,401	2,526,798	209,349	3,050,548	311,944	2,238,261	225,073	2,775,278
Assigned:								
Purchases on order:								
General government support	7,969	-	-	7,969	27,914	-	-	27,914
Public safety	23,057	-	-	23,057	12,368	-	-	12,368
Transportation	20,804	-	-	20,804	19,210	-	-	19,210
Economic opportunity and development	5,951	-	-	5,951	1,023	-	-	1,023
Culture and recreation	13,091	-	-	13,091	22,180	-	-	22,180
Home and community services	10,985	-	-	10,985	12,419	-	-	12,419
	81,857	-	-	81,857	95,114	-	-	95,114
Subsequent years' expenditures	700,000	-	-	700,000	494,000	-	-	494,000
Tax certiorari	350,000	-	-	350,000	369,000	-	-	369,000
Total Assigned	1,131,857	-	-	1,131,857	958,114	-	-	958,114
Unassigned	3,539,671	-	-	3,539,671	3,193,503	-	-	3,193,503
Total Fund Balances	\$ 5,289,666	\$ 2,526,798	\$ 209,349	\$ 8,025,813	\$ 4,760,528	\$ 2,238,261	\$ 225,073	\$ 7,223,862

**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 assets but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been provided to account for certain 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.

The Restriction for Parklands - the component of net assets that has been established to account for funds received by the Village in lieu of parklands as a condition precedent to the approval of a parcel of land by the Planning Board. These funds may be used only for recreation purposes.

The Restriction 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 Village's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Subsequent year's expenditures reflect that at May 31, 2012, the Village Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Tax Certiorari – The Village has assigned funds to be used to pay future court ordered tax certiorari refunds.

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 Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

**B. Contingencies**

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements may be established at a future date. The amount of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

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

**C. Risk Management**

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains a general liability policy, public official's liability and law enforcement liability with coverage up to \$1 million per occurrence and \$2 million in the aggregate. In addition, the Village also maintains an umbrella policy with coverage up to \$20 million. The Village purchases conventional workers' compensation insurance with coverage at statutory limits. The Village also purchases conventional health insurance from one provider. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

**Note 5 - Other Matters**

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 Village in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Village 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 Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

VILLAGE OF RYE BROOK, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS  
OTHER POST EMPLOYMENT BENEFITS  
LAST THREE FISCAL YEARS

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2009	\$ -	\$ 24,668,269	\$ 24,668,269	- %	\$ 5,665,024	435.45 %
June 1, 2010	-	24,668,269	24,668,269	-	5,806,650	424.83
June 1, 2011	-	30,844,976	30,844,976	-	5,572,477	553.52

VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND  
COMPARATIVE BALANCE SHEET  
MAY 31, 2012 AND 2011

	2012	2011
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 5,224,003	\$ 4,570,529
Petty cash	200	200
	<u>5,224,203</u>	<u>4,570,729</u>
Investments	<u>1,142,917</u>	<u>1,107,709</u>
Taxes Receivable	<u>96,621</u>	<u>70,487</u>
Other Receivables:		
Accounts	278,587	325,070
State and Federal aid	1,863	185,361
Due from other governments	422,257	376,402
Due from other funds	<u>8,028</u>	<u>8,028</u>
	<u>710,735</u>	<u>894,861</u>
Prepaid Expenditures	<u>303,737</u>	<u>296,967</u>
Total Assets	<u>\$ 7,478,213</u>	<u>\$ 6,940,753</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 201,653	\$ 371,746
Accrued liabilities	178,261	108,493
Deposits and other liabilities	5,265	4,065
Due to retirement systems	222,491	176,396
Due to other funds	1,490,677	1,429,325
Deferred revenues	<u>90,200</u>	<u>90,200</u>
Total Liabilities	<u>2,188,547</u>	<u>2,180,225</u>
Fund Balance:		
Nonspendable	303,737	296,967
Restricted	314,401	311,944
Assigned	1,131,857	958,114
Unassigned	<u>3,539,671</u>	<u>3,193,503</u>
Total Fund Balance	<u>5,289,666</u>	<u>4,760,528</u>
Total Liabilities and Fund Balance	<u>\$ 7,478,213</u>	<u>\$ 6,940,753</u>

VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND  
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED MAY 31, 2012 AND 2011

	2012			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 13,103,226	\$ 13,103,226	\$ 13,103,226	\$ -
Other tax items	607,000	607,000	800,705	193,705
Non-property taxes	1,952,500	1,952,500	2,383,443	430,943
Departmental income	936,500	936,500	1,012,617	76,117
Intergovernmental charges	148,720	148,720	154,853	6,133
Use of money and property	25,000	25,000	23,042	(1,958)
Fines and forfeitures	50,000	50,000	60,345	10,345
Sale of property and compensation for loss	5,000	5,000	-	(5,000)
State aid	294,052	294,052	311,609	17,557
Federal aid	-	-	37,127	37,127
Miscellaneous	11,600	11,600	3,424	(8,176)
Total Revenues	17,133,598	17,133,598	17,890,391	756,793
Expenditures:				
Current:				
General government support	2,549,285	2,753,969	2,711,722	42,247
Public safety	5,243,694	5,271,060	5,234,386	36,674
Health	203,016	203,016	198,842	4,174
Transportation	1,122,344	1,041,218	1,020,079	21,139
Economic opportunity and development	270,190	261,802	255,124	6,678
Culture and recreation	1,631,523	1,629,723	1,566,068	63,655
Home and community services	1,342,723	1,252,048	1,216,737	35,311
Employee benefits	3,643,800	3,593,739	3,500,269	93,470
Debt service:				
Principal	705,000	705,000	705,000	-
Interest	191,137	191,137	187,523	3,614
Total Expenditures	16,902,712	16,902,712	16,595,750	306,962
Excess of Revenues Over Expenditures	230,886	230,886	1,294,641	1,063,755
Other Financing Sources (Uses):				
Insurance recoveries	25,000	25,000	79,497	54,497
Transfers in	-	-	-	-
Transfers out	(845,000)	(845,000)	(845,000)	-
Total Other Financing Uses	(820,000)	(820,000)	(765,503)	54,497
Net Change in Fund Balance	(589,114)	(589,114)	529,138	1,118,252
Fund Balance - Beginning of Year	589,114	589,114	4,760,528	4,171,414
Fund Balance - End of Year	\$ -	\$ -	\$ 5,289,666	\$ 5,289,666



2011			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 13,113,079	\$ 13,113,079	\$ 13,113,079	\$ -
596,000	596,000	712,633	116,633
1,470,000	1,470,000	1,876,028	406,028
855,050	872,050	1,026,152	154,102
163,264	163,264	227,351	64,087
45,000	45,000	31,540	(13,460)
55,000	55,000	30,800	(24,200)
5,000	5,000	-	(5,000)
298,135	298,135	458,798	160,663
-	-	95,371	95,371
7,000	7,000	3,012	(3,988)
16,607,528	16,624,528	17,574,764	950,236
2,488,366	2,397,378	2,286,292	111,086
5,259,181	5,276,486	5,201,698	74,788
203,016	203,016	198,842	4,174
1,083,754	1,133,266	1,072,012	61,254
272,808	272,808	246,209	26,599
1,524,818	1,541,816	1,495,879	45,937
1,355,207	1,354,380	1,211,985	142,395
3,404,300	3,404,300	3,132,246	272,054
745,000	745,000	745,000	-
258,350	258,350	258,167	183
16,594,800	16,586,800	15,848,330	738,470
12,728	37,728	1,726,434	1,688,706
35,000	35,000	32,307	(2,693)
-	-	30,000	30,000
(611,500)	(636,500)	(636,500)	-
(576,500)	(601,500)	(574,193)	27,307
(563,772)	(563,772)	1,152,241	1,716,013
563,772	563,772	3,608,287	3,044,515
\$ -	\$ -	\$ 4,760,528	\$ 4,760,528

VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET

YEAR ENDED MAY 31, 2012

(With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
REAL PROPERTY TAXES	\$ 13,103,226	\$ 13,103,226	\$ 13,103,226	\$ -	\$ 13,113,079
OTHER TAX ITEMS					
Payments in lieu of taxes	601,000	601,000	790,759	189,759	695,133
Interest and penalties on real property taxes	6,000	6,000	9,946	3,946	17,500
NON-PROPERTY TAXES	607,000	607,000	800,705	193,705	712,633
Non-property tax distribution from County	1,102,500	1,102,500	1,234,550	132,050	1,172,040
Utilities gross receipts taxes	250,000	250,000	226,754	(23,246)	242,058
Hotel occupancy tax	420,000	420,000	717,377	297,377	245,725
Franchise fees	180,000	180,000	204,762	24,762	216,205
	1,952,500	1,952,500	2,383,443	430,943	1,876,028
DEPARTMENTAL INCOME					
Clerk fees	3,000	3,000	6,755	3,755	3,262
Police fees	20,000	20,000	7,980	(12,020)	6,244
Vital statistics	6,500	6,500	-	(6,500)	5,120
Safety inspection fees	315,000	315,000	330,351	15,351	341,066
Alarm permits	90,000	90,000	95,430	5,430	100,550
Parks and recreation charges	489,000	489,000	561,496	72,496	559,025
Senior center rental	13,000	13,000	10,605	(2,395)	10,885
	936,500	936,500	1,012,617	76,117	1,026,152

# INTERGOVERNMENTAL CHARGES

Airport revenue	40,000	40,000	40,000	-	36,667
Other governmental services -					
Home and community services	108,720	108,720	114,853	6,133	190,684
	148,720	148,720	154,853	6,133	227,351

# USE OF MONEY AND PROPERTY

Interest earnings	25,000	25,000	23,042	(1,958)	31,540
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# FINES AND FORFEITURES

Fines and forfeited bail	50,000	50,000	60,345	10,345	30,800
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# SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	5,000	5,000	-	(5,000)	-
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# STATE AID

Per capita	45,334	45,334	45,334	-	46,259
Mortgage tax	177,000	177,000	217,491	40,491	159,637
Consolidated highway improvement aid	59,000	59,000	-	(59,000)	72,739
Youth funding	1,500	1,500	-	(1,500)	1,507
Emergency Management Assistance	-	-	-	-	18,650
Snow removal	-	-	33,818	33,818	20,546
Dormitory Authority	-	-	-	-	125,000
Speed and alcohol enforcement	11,218	11,218	14,966	3,748	14,460
	294,052	294,052	311,609	17,557	458,798

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VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)  
 YEAR ENDED MAY 31, 2012  
 (With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
FEDERAL AID					
Emergency Management Assistance	\$ -	\$ -	\$ 37,127	\$ 37,127	\$ 95,371
MISCELLANEOUS					
Unclassified	11,600	11,600	3,424	(8,176)	3,012
TOTAL REVENUES	17,133,598	17,133,598	17,890,391	756,793	17,574,764
OTHER FINANCING SOURCES					
Insurance recoveries	25,000	25,000	79,497	54,497	32,307
Transfers in - Special Purpose Fund	-	-	-	-	30,000
TOTAL OTHER FINANCING SOURCES	25,000	25,000	79,497	54,497	62,307
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 17,158,598	\$ 17,158,598	\$ 17,969,888	\$ 811,290	\$ 17,637,071

VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

YEAR ENDED MAY 31, 2012

(With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 10,000	\$ 11,898	\$ 11,897	\$ 1	\$ 8,397
Administrator	241,454	254,208	254,205	3	247,822
Treasurer	452,597	461,623	461,617	6	439,293
Village office	97,250	72,304	63,975	8,329	77,726
Clerk	90,451	83,429	81,809	1,620	74,958
Village attorney	166,200	166,200	143,062	23,138	158,739
Engineering	77,040	89,826	89,825	1	75,597
Management information systems	151,875	163,277	162,109	1,168	157,596
Central communications	54,400	55,365	55,364	1	51,808
Central garage	555,018	565,863	557,885	7,978	526,784
Central supplies	32,000	36,514	36,514	-	33,826
Central printing and mailing	16,000	11,774	11,774	-	10,482
Unallocated insurance	265,000	265,094	265,094	-	278,065
Consulting fees	100,000	121,013	121,012	1	119,690
Bonding expenses	8,000	2,790	2,790	-	1,170
Judgments and claims	25,000	369,679	369,678	1	1,226
Contingency account	172,000	-	-	-	-
Metropolitan commuter transportation mobility tax	35,000	23,112	23,112	-	23,113
	2,549,285	2,753,969	2,711,722	42,247	2,286,292
<b>PUBLIC SAFETY</b>					
Police Department	3,171,615	3,171,978	3,151,476	20,502	3,170,965
Control of animals	23,228	24,321	24,321	-	12,552
Fire protection	1,755,862	1,771,965	1,760,949	11,016	1,723,516
Safety inspection	292,989	302,796	297,640	5,156	294,665
	5,243,694	5,271,060	5,234,386	36,674	5,201,698

# HEALTH

Ambulance services 203,016 203,016 198,842 4,174 198,842

## TRANSPORTATION

Highway maintenance 852,344 870,281 851,474 18,807 784,555  
 Snow removal 145,000 45,937 43,936 2,001 156,443  
 Street lighting 125,000 125,000 124,669 331 131,014  
 1,122,344 1,041,218 1,020,079 21,139 1,072,012

## ECONOMIC OPPORTUNITY AND DEVELOPMENT

Community services - Programs for the aging 270,190 261,802 255,124 6,678 246,209

## CULTURE AND RECREATION

Recreation 1,123,083 1,118,830 1,063,102 55,728 1,007,591  
 Teen center 6,000 8,453 8,453 - 3,394  
 Public library 492,513 492,513 492,513 - 477,513  
 Handicapped 9,927 9,927 2,000 7,927 7,381  
 1,631,523 1,629,723 1,566,068 63,655 1,495,879

## HOME AND COMMUNITY SERVICES

Part-time videotaping 8,175 8,175 5,286 2,889 4,454  
 Planning board 2,500 2,500 1,095 1,405 1,190  
 Hydrant rental 135,000 149,536 149,536 - 144,168  
 Disposal fees 100,000 90,363 88,091 2,272 86,626  
 Recycling and refuse collection 864,630 864,630 864,630 - 818,425  
 Shade trees 54,279 54,278 41,025 13,253 69,047  
 Sewer district 178,139 82,566 67,074 15,492 88,075  
 1,342,723 1,252,048 1,216,737 35,311 1,211,985

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VILLAGE OF RYE BROOK, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)

YEAR ENDED MAY 31, 2012

(With Comparative Actuals for 2011)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2011 Actual
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 462,000	\$ 439,442	\$ 439,442	\$ -	\$ 308,608
State retirement - Police	790,000	754,393	676,489	77,904	611,112
Social security	540,000	498,142	498,142	-	482,419
Worker's compensation benefits	145,000	175,833	175,833	-	153,886
Life insurance	24,000	24,000	20,734	3,266	20,346
Unemployment insurance	20,000	26,965	26,965	-	29,821
Disability insurance	3,500	3,500	1,632	1,868	1,767
Health and dental insurance	1,655,300	1,667,464	1,658,911	8,553	1,518,851
Other benefits	4,000	4,000	2,121	1,879	5,436
	<u>3,643,800</u>	<u>3,593,739</u>	<u>3,500,269</u>	<u>93,470</u>	<u>3,132,246</u>
<b>DEBT SERVICE</b>					
Principal - Serial bonds	705,000	705,000	705,000	-	745,000
Interest:					
Serial bonds	185,075	185,075	185,019	56	249,849
Bond anticipation notes	6,062	6,062	2,504	3,558	8,318
	<u>191,137</u>	<u>191,137</u>	<u>187,523</u>	<u>3,614</u>	<u>258,167</u>
	<u>896,137</u>	<u>896,137</u>	<u>892,523</u>	<u>3,614</u>	<u>1,003,167</u>
<b>TOTAL EXPENDITURES</b>	<u>16,902,712</u>	<u>16,902,712</u>	<u>16,595,750</u>	<u>306,962</u>	<u>15,848,330</u>
<b>OTHER FINANCING USES</b>					
Transfers out - Capital Projects Fund	845,000	845,000	845,000	-	636,500
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 17,747,712</u>	<u>\$ 17,747,712</u>	<u>\$ 17,440,750</u>	<u>\$ 306,962</u>	<u>\$ 16,484,830</u>



VILLAGE OF RYE BROOK, NEW YORK

CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
MAY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 1,252,514	\$ 963,343
Due from Other Governments	76,447	-
Due from Other Funds	<u>1,504,520</u>	<u>1,413,168</u>
Total Assets	<u>\$ 2,833,481</u>	<u>\$ 2,376,511</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 38,433	\$ -
Bond anticipation notes payable	<u>268,250</u>	<u>138,250</u>
Total Liabilities	306,683	138,250
Fund Balance - Restricted	<u>2,526,798</u>	<u>2,238,261</u>
Total Liabilities and Fund Balance	<u>\$ 2,833,481</u>	<u>\$ 2,376,511</u>

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VILLAGE OF RYE BROOK, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED MAY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Revenues - State aid	\$ 138,697	\$ -
Expenditures - Capital outlay	<u>725,160</u>	<u>374,508</u>
Deficiency of Revenues Over Expenditures	(586,463)	(374,508)
Other Financing Sources - Transfers in	<u>875,000</u>	<u>636,500</u>
Net Change in Fund Balance	288,537	261,992
Fund Balance - Beginning of Year	<u>2,238,261</u>	<u>1,976,269</u>
Fund Balance - End of Year	<u>\$ 2,526,798</u>	<u>\$ 2,238,261</u>

VILLAGE OF RYE BROOK, NEW YORK

CAPITAL PROJECTS FUND

PROJECT LENGTH SCHEDULE

INCEPTION OF PROJECT THROUGH MAY 31, 2012

Project	Authorization	Expenditures and Transfers	Unexpended Balance
GIS System	\$ 80,000	\$ 22,370	\$ 57,630
Firehouse	3,450,000	3,343,651	106,349
King Street Athletic Fields	3,995,513	3,642,066	353,447
ICOP Network	15,000	13,052	1,948
Light Dump Truck	46,000	-	46,000
Dump Truck and Plow Attachments	126,000	58,620	67,380
Staff Vehicle	21,000	-	21,000
Curb Machine	12,000	-	12,000
AJP Community Center Roof	61,000	45,897	15,103
Pine Ridge Tennis Courts Resurfacing	50,000	34,700	15,300
Rye Hills Basketball Court Resurfacing	40,000	7,480	32,520
Garibaldi Park Sprinkler System	50,000	45,536	4,464
Police Vehicles - 2007	113,500	75,648	37,852
Highway Vehicles	50,000	47,669	2,331
Replace AJP Community Center Tile Floor	24,461	19,087	5,374
Sidewalk Improvement Project	150,000	-	150,000
Building Violations Software	13,200	-	13,200
Sidewalk Replacement Program	322,539	302,381	20,158
Purchase of Dump Truck	121,000	-	121,000
Various Village Projects	341,000	-	341,000
Loch Lane/King Street Drainage	1,000,000	596,012	403,988
Highway Equipment -Generator	45,000	27,252	17,748
Highway Improvements - 2009	500,000	3,194	496,806
Salt Shed Cover	13,000	8,641	4,359
Replace Cathodic Protection System	12,000	11,969	31
Parks Equipment - Trailer	15,000	6,826	8,174
Rye Hills Park Drainage	75,000	65,965	9,035
Garibaldi Park Path Cameras	45,000	17,076	27,924
Partial Reconstruction - Posillipo Center	205,000	203,700	1,300
Highway Vehicles - 2010	225,000	201,327	23,673
Harkness Park Storm Lines	90,000	61,706	28,294
Harkness Park Tennis Court	205,000	199,913	5,087
Bellfair and Village Hall Pump Stations	60,000	53,070	6,930
Police Vehicles - 2010	56,000	54,784	1,216
Windows/FACIA Trim/Fire Department	15,000	-	15,000
Police Vehicles	42,964	35,429	7,535
Road Resurfacing - 2011	412,250	330,326	81,924
Comprehensive Plan	80,000	-	80,000
Police Vehicle - 2012	75,000	-	75,000
Road Resurfacing - 2012	500,000	-	500,000
Pine Ridge Tennis Courts Resurfacing - 2012	20,000	19,740	260
Capital Reserve - Ball field	30,000	-	30,000
Jacqueline Lane Drainage	90,000	52,958	37,042
Parks and Recreation Maintenance Vehicle	50,000	49,726	274
AJP Center Repairs - Bathroom	98,000	76,447	21,553
Village Hall Repairs	13,036	10,000	3,036
Pine Ridge Park - Basketball Hoops	15,000	12,780	2,220
Pine Ridge Park - Scoreboard Replacement	15,000	14,079	921
Village Hall Standby Generator	45,000	-	45,000
Accounting and Records Retention Software	40,000	-	40,000
Village Administration Passenger Vehicle	28,000	-	28,000
TOTALS	\$ 13,197,463	\$ 9,771,077	\$ 3,426,386

Proceeds of Obligations	Methods of Financing				Fund Balance (Deficit) at May 31, 2012	Bond Anticipation Notes Out- standing at May 31, 2012
	Interfund Transfers	State Aid	Other	Total		
\$ -	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ 57,630	\$ -
3,450,000	-	-	-	3,450,000	106,349	-
825,500	19,945	-	2,982,283	3,827,728	185,662	-
-	15,000	-	-	15,000	1,948	-
46,000	-	-	-	46,000	46,000	-
126,000	-	-	-	126,000	67,380	-
-	21,000	-	-	21,000	21,000	-
-	12,000	-	-	12,000	12,000	-
-	61,000	-	-	61,000	15,103	-
-	50,000	-	-	50,000	15,300	-
-	40,000	-	-	40,000	32,520	-
50,000	-	-	-	50,000	4,464	-
52,500	61,000	-	-	113,500	37,852	-
50,000	-	-	-	50,000	2,331	-
-	24,461	-	-	24,461	5,374	-
150,000	-	-	-	150,000	150,000	-
-	13,200	-	-	13,200	13,200	-
-	172,539	-	150,000	322,539	20,158	-
90,750	-	-	-	90,750	90,750	30,250
341,000	-	-	-	341,000	341,000	-
600,000	-	-	-	600,000	3,988	-
-	30,000	-	-	30,000	2,748	-
-	500,000	-	-	500,000	496,806	-
-	9,000	-	-	9,000	359	-
-	12,000	-	-	12,000	31	-
-	7,000	-	-	7,000	174	-
-	75,000	-	-	75,000	9,035	-
-	45,000	-	-	45,000	27,924	-
205,000	-	-	-	205,000	1,300	-
225,000	-	-	-	225,000	23,673	-
90,000	-	-	-	90,000	28,294	-
205,000	-	-	-	205,000	5,087	-
60,000	-	-	-	60,000	6,930	-
-	56,000	-	-	56,000	1,216	-
-	15,000	-	-	15,000	15,000	-
-	42,964	-	-	42,964	7,535	-
-	350,000	62,250	-	412,250	81,924	-
-	80,000	-	-	80,000	80,000	-
-	75,000	-	-	75,000	75,000	-
-	500,000	-	-	500,000	500,000	-
-	20,000	-	-	20,000	260	-
-	30,000	-	-	30,000	30,000	-
-	-	-	-	-	(52,958)	75,000
-	-	-	-	-	(49,726)	50,000
-	-	76,447	-	76,447	-	-
-	13,036	-	-	13,036	3,036	-
-	15,000	-	-	15,000	2,220	-
-	15,000	-	-	15,000	921	-
-	-	-	-	-	-	45,000
-	-	-	-	-	-	40,000
-	-	-	-	-	-	28,000
<u>\$ 6,566,750</u>	<u>\$ 2,460,145</u>	<u>\$ 138,697</u>	<u>\$ 3,132,283</u>	<u>\$ 12,297,875</u>	<u>\$ 2,526,798</u>	<u>\$ 268,250</u>

VILLAGE OF RYE BROOK, NEW YORK

NON-MAJOR GOVERNMENTAL FUND - SPECIAL PURPOSE FUND  
COMPARATIVE BALANCE SHEET  
MAY 31, 2012 AND 2011

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	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 231,220	\$ 216,944
Due from Other Funds	<u>16,157</u>	<u>16,157</u>
Total Assets	<u>\$ 247,377</u>	<u>\$ 233,101</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities -		
Due to other funds	\$ 38,028	\$ 8,028
Fund Balance- Restricted	<u>209,349</u>	<u>225,073</u>
Total Liabilities and Fund Balance	<u>\$ 247,377</u>	<u>\$ 233,101</u>

VILLAGE OF RYE BROOK, NEW YORK

NON-MAJOR GOVERNMENTAL FUND - SPECIAL PURPOSE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
YEARS ENDED MAY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Revenues:		
Miscellaneous	\$ 28,962	\$ 22,442
Use of money and property	<u>177</u>	<u>402</u>
Total Revenues	<u>29,139</u>	<u>22,844</u>
Expenditures -		
Current:		
Public safety	-	345
Culture and recreation	<u>14,863</u>	<u>25,364</u>
Total Expenditures	<u>14,863</u>	<u>25,709</u>
Excess (Deficiency) of Revenues Over Expenditures	14,276	(2,865)
Other Financing Uses - Transfers out	<u>(30,000)</u>	<u>(30,000)</u>
Net Change in Fund Balance	(15,724)	(32,865)
Fund Balance - Beginning of Year	<u>225,073</u>	<u>257,938</u>
Fund Balance - End of Year	<u>\$ 209,349</u>	<u>\$ 225,073</u>

