

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE YEAR ENDED

MAY 31, 2015



VILLAGE OF ROCKVILLE CENTRE  
NEW YORK

PREPARED BY  
THE OFFICE OF THE COMPTROLLER

VILLAGE OF ROCKVILLE CENTRE  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED MAY 31, 2015  
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**INTRODUCTORY  
SECTION**

**VILLAGE OF ROCKVILLE CENTRE,  
NASSAU COUNTY, NEW YORK  
AT MAY 31, 2015**

**Mayor Francis X. Murray**

**Board of Trustees**

Nancy Howard  
Edward J. Oppenheimer  
Michael Sepe  
Emilio F. Grillo

**Village Justices**

William J. Croutier  
Kevin P. McDonough

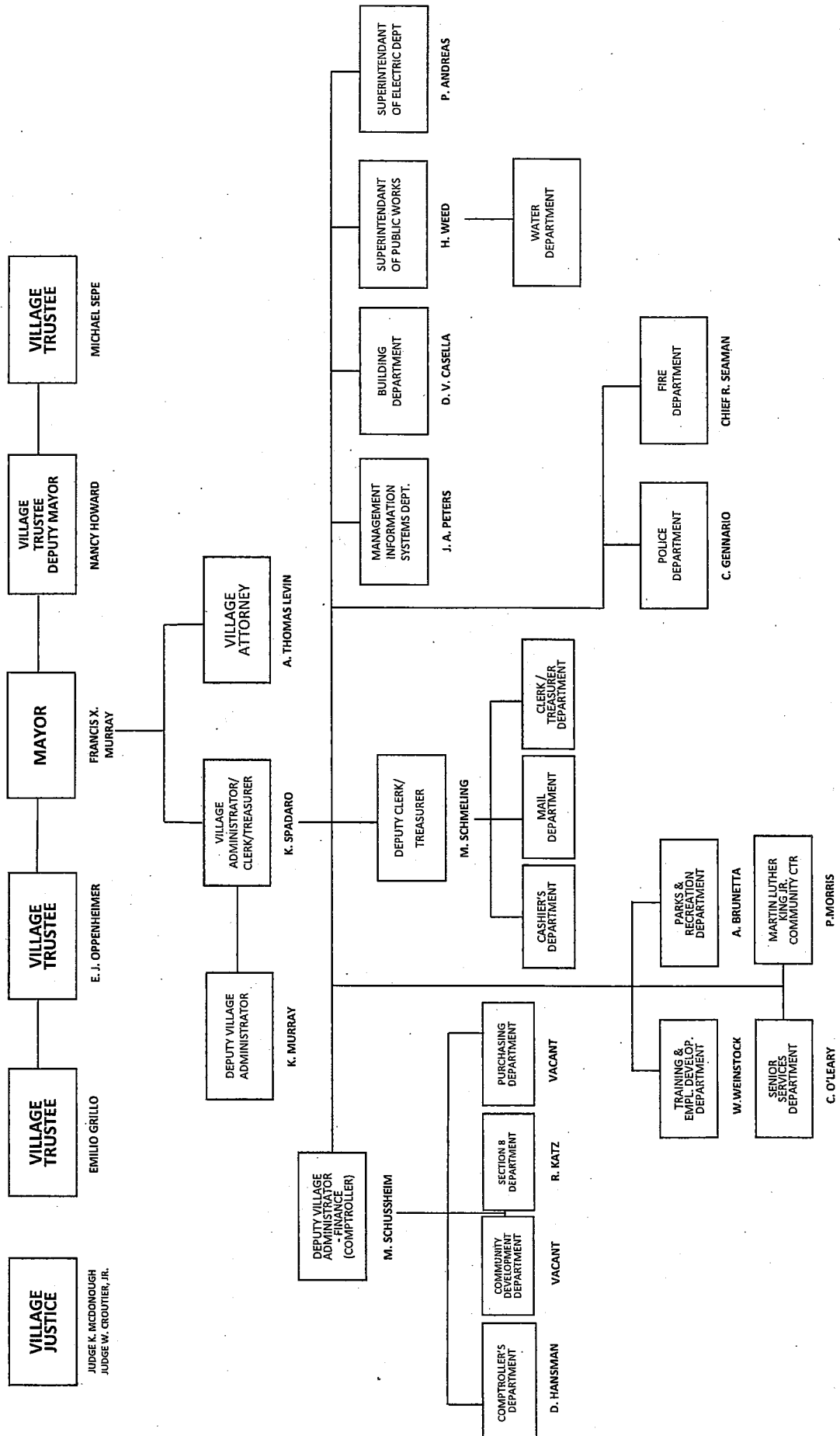
**Village Administrator-Clerk/Treasurer**

Keith M. Spadaro

**Comptroller and Budget Officer**

Michael Schussheim

# VILLAGE OF ROCKVILLE CENTRE ORGANIZATIONAL CHART





# VILLAGE OF ROCKVILLE CENTRE

ONE COLLEGE PLACE  
P.O. BOX 950  
ROCKVILLE CENTRE, N.Y. 11571-0950

FRANCIS X. MURRAY, Mayor  
NANCY HOWARD, Trustee  
EDWARD J. OPPENHEIMER, Trustee  
MICHAEL SEPE, Trustee  
EMILIO F. GRILLO, Trustee



MICHAEL SCHUSSHEIM  
COMPTROLLER

516/678-9228  
FAX #: 516/678-9237

November 2, 2015

To the Honorable Mayor, Members of the Board of Trustees and Taxpayers of the Village of Rockville Centre, New York:

Submitted herewith is the comprehensive annual financial report of the Village of Rockville Centre, New York ("Village") as of and for the year ended May 31, 2015. The Comptroller's department is pleased to announce that for the twelfth consecutive year, this report was prepared in compliance with Governmental Accounting Standards Board Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

This report consists of management's representations concerning the finances of the Village. Therefore, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this comprehensive annual financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by R.S. Abrams & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village for the fiscal year ended May 31, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended May 31, 2015, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report. To gain an enhanced overview of the financial activities of the Village, it is recommended that you read the Management, Discussion and Analysis that precedes the basic financial statements.

## **Profile of the Village of Rockville Centre, New York**

The Village of Rockville Centre, incorporated under the New York State Village law in 1893, is a residential community located on the south shore of Long Island, five miles east of the New York City limits and twenty-one miles by rail from Pennsylvania Station in Manhattan. Its population of 24,023 (2010 Census) makes it one of the larger villages in the State encompassing an area of approximately 3.3 square miles. Commuting facilities include hourly train service provided by the Long Island Railroad. All railroad grade crossings have been eliminated and in the station there is an escalator and an elevator for the handicapped to access the elevated platform. A network of bus lines offers public transportation to the New York City subways in Jamaica and to Hempstead, Freeport, Long Beach and to nearly all other Nassau County communities. There is bus service within the Village as well as a taxi service.

Rockville Centre enjoys all modern public services, such as the municipally owned and operated electric generating plant and distribution system. In addition, the Village operates water pumping treatment and storage facilities along with its own distribution system. A sanitary sewer system was installed over 50 years ago. Collection sewers which are maintained by the Village, empty into the County's sewage disposal system. The Village has its own Police Department with a total of 54 uniformed personnel and all vehicles containing state of the art computer equipment. The Fire Department, with 342 volunteers, has up-to-date fire fighting equipment. The Recreation Department is a special part of the Village life. Oriented toward a community with a broad range of interests, programs are offered in sports, creative expression and cultural activities. The Village has its own Senior Center which offers socialization, transportation, classes and health screening to the Village's increasing senior population. One full-time and one part-time social worker give aid and counseling to senior citizens.

There are three senior citizen developments in the Village providing 309 living units. One of these developments, the Halandia Senior Citizen Housing Complex, built under the Federal Section 8 Housing Assistance program, was the last parcel of land in the Rockville Centre Urban Renewal Project. This Complex contains 165 apartments. The development costs were approximately \$6.5 million. It contains several community rooms, two elevators, spacious private grounds and has an active tenant's organization. Additionally, there is a nursing home and a health related facility.

The Phillips House Museum, which receives some funding from the Village, is staffed by volunteers. There are changing exhibits, classes and special programs including an annual spring tour of Village homes and trips to nearby historic sites. The Guild for the Arts presents programs featuring renowned musical artists, summer concerts in the park, theatre, poetry readings, juried art and photography shows, museum tours and an annual Artfest. Molloy College, middle and senior public high schools, five grade schools, a full service public library and a Roman Catholic grade school constitute the education facilities. Churches of most denominations and two synagogues are located in the Village. The Diocesan Headquarters of the Diocese of Rockville Centre, which embraces all of the Counties of Nassau and Suffolk, is located in the Village. Mercy Hospital, with a bed capacity of 387, an 18 bed cancer care unit for the terminally ill, plus emergency and outpatient facilities, services the Village and adjacent communities. There are six professional medical centers located in the Village.

Rockville Centre has long been known for its banking facilities. Branches of many of the larger commercial banks in the country and branches of a variety of the large metropolitan savings banks are located in the central business district of the Village. A diversified retail business section attracts shoppers from surrounding communities as well as the Village. Twenty-seven municipal parking fields, strategically located, accommodate shoppers and commuters and aid in traffic control by providing thousands of off-street parking spaces.

Several areas of the Village are zoned for light industry. During recent years, the Village has seen an increase in the growth of office space provided to doctors, lawyers, CPA's, computer firms and commerce by new and renovated buildings. Rockville Centre's business district is located 15 minutes from Kennedy Airport and 35 minutes by train from Mid-town Manhattan.

The governing body of the Village is the Board of Trustees, which consists of the Mayor and four Trustees, all of whom are elected for four-year terms. There are two Village Justices who are the only other elected officials and who serve four-year terms. Elections are held every two years in odd number years. The Village Administrator/Clerk-Treasurer, Village Attorney, Tax Assessor, Comptroller and other department heads are appointed by the Mayor with consent of the Board of Trustees.

The Budget Officer is the Comptroller of the Village. The Budget Officer sends budget request forms to the various departments and the approximate timetable for budget development is as follows:

January 7	Comptroller's pro forma budget workpapers to all Department Heads.
January 21	All Department Heads return estimates to Comptroller.
March 20	Tentative budget filed with Village Clerk by this date
March 20-March 30	Meetings with bankers and civic groups. Notice of Public Hearing published.
April 15	Public Hearing on budget by this date.
May 1	Adoption of budget and salary scale, and setting of tax rate by this date.

The Board of Trustees has not formally adopted a capital program. Section 99-g of the General Municipal Law calls for a six-year program; such program is permissive, not mandatory. However, the Village has developed a five-year plan of capital projects, in order to establish priorities and determine projected impact on the tax rate of the Village.

The United States Census Bureau's "Census 2010" reports the Village has a Per Capita income of \$53,417, which compares favorably to the national average of \$27,334. Median household income totaled \$104,023, more than double the national average of \$51,914. In excess of 57% of the population aged 25 years and over has earned either a Bachelor's Degree or higher, the state average is below 33%.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when it is considered in light of the specific environment in which the Village operates.

### **Local Economy**

On January 29, 2015, Standard and Poor's Rating Services upgraded their credit rating for the Village to AAA, their highest rating category. In their credit rating report, they praised the Village for its very strong budgetary flexibility, financial management and liquidity. Moody's Investors Service continues to assign a very strong credit rating of Aa2 to the Village. They continue to praise the Village for its strong financial management and low debt burden.

Full valuation of taxable real estate was approximately \$3.9 billion during fiscal 2015, having declined 6% in six years. Median home prices are approximately \$600,000 and certain homeowners continue to spend significant sums on building improvements. Numerous business owners have also invested considerable amounts of money on improving their properties.

Homeowners and businesses continue to benefit from the Village's relatively low electric and water rates. In comparison to electric rates in many surrounding communities, Village electric rates can be as much as 40% lower. This significant savings helps produce the extremely low vacancy rate in the central business district, as it helps attract new commercial establishments into the Village when infrequent vacancies become available.

### **Long-term Financial Planning**

During fiscal 2016, the very extensive Maple Avenue resurfacing, drainage and lighting improvements project will finally be completed. Grant monies are expected to cover approximately 20% of the final project cost.

Senior management expects to finalize labor negotiations with the Police Benevolent Association whose most recent contract lapsed on December 31, 2011. Negotiations to establish an initial collective bargaining agreement with the newly established supervisors bargaining unit will also likely be finalized. Negotiations will likely commence with the CSEA Clerical Unit whose contract will expire on May 31, 2016.

The Water Department will complete an anticipated \$2,850,000 renovation of the water tank located adjacent to Southside High School. Additional water related infrastructure improvements, primarily involving the replacement of water mains, will also continue.

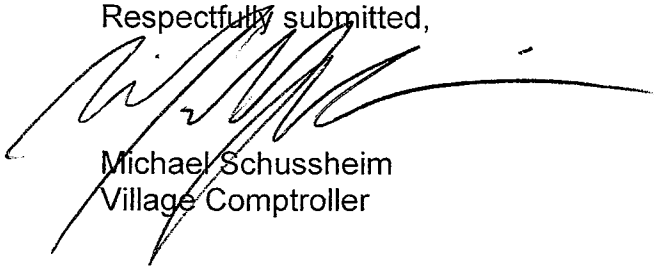
CO catalysts will be installed on two additional electric generation units. The completion of these installations will ultimately enable the Village to operate four older electric generation units without any significant time restrictions.

## Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report (CAFR) for the fiscal year ended May 31, 2014. This was the nineteenth consecutive year that the Village received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an efficiently organized CAFR satisfying both generally accepted accounting principles and legal requirements that meets or exceeds reporting standards established by the GFOA.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire Comptroller's Department staff. I also want to thank the Mayor and Board of Trustees for their support. I also wish to extend a very special thank you to our independent auditors, R.S. Abrams & Co., LLP for their invaluable assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Michael Schussheim', with a long horizontal flourish extending to the right.

Michael Schussheim  
Village Comptroller



Government Finance Officers Association

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

Presented to

**Village of Rockville Centre  
New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**May 31, 2014**

Executive Director/CEO

**FINANCIAL  
SECTION**



**R.S. ABRAMS & CO., LLP**

*Accountants & Consultants for Over 75 years*

Robert S. Abrams  
(1926-2014)

Marianne E. Van Duyne, CPA  
Alexandria M. Battaglia, CPA

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
The Incorporated Village of Rockville Centre

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, fiduciary funds and the aggregate remaining fund information of the Incorporated Village of Rockville Centre as of and for the fiscal year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Incorporated Village of Rockville Centre's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

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## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, fiduciary funds and the aggregate remaining fund information of the Incorporated Village of Rockville Centre as of May 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedule of funding progress on pages 1 through 13 and 56 through 58, respectively, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Incorporated Village of Rockville Centre's basic financial statements. The other supplementary financial information as listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statements.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2015 on our consideration of the Incorporated Village of Rockville Centre's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Incorporated Village of Rockville Centre's internal control over financial reporting and compliance.

*R. S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, NY  
October 30, 2015

**Incorporated Village of Rockville Centre, New York  
Management's Discussion and Analysis (MD&A)  
May 31, 2015**

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**Introduction**

The following discussion and analysis of the Incorporated Village of Rockville Centre, New York's financial statements provides an overview of the financial activities of the Village for the fiscal year ended May 31, 2015. This discussion should be read in conjunction with the transmittal letter, located at the front of this report, the basic financial statements and the accompanying notes to those statements that follow this section.

**Financial Highlights for Fiscal Year 2015**

- The General Fund completed fiscal year 2015 with a fund balance totaling \$6,552,342. Of this amount, unassigned fund balance totaled \$3,041,776 while another \$1,713,394 was assigned and \$1,797,172 was restricted for unused sick and terminal leave payments, primarily for retiring police officers.
- The Electric Fund had an increase in net position of \$682,755 and the Water Fund had an increase in net position of \$329,227.
- The Village's total outstanding bonds payable at May 31, 2015 was \$53,090,000. Of this total, \$30,125,000 and \$22,965,000 were attributable to the Village's governmental and business-type activities, respectively.
- The Capital Projects Fund fund balance was \$11,179,018 consisting of restricted fund balance totaling \$10,150,620 and assigned fund balance of \$1,028,398.

Total net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) for fiscal year 2015 was \$31,095,027. Of this amount a deficit of \$11,130,953 represents governmental net position and \$42,225,980 represents business-type net position. The governmental activities net position decreased by \$319,055 for the fiscal year ended May 31, 2015. This was primarily due to the recognition of additional other post employment benefit ("OPEB") obligations as required under the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 45. The GASB is charged with developing the accounting guidelines that apply to governments. These OPEB obligations include any benefits provided to retirees, other than a pension, including health insurance, life insurance, vision, dental, etc. GASB Statement No. 45 establishes standards for accrual based measurement and recognition of OPEB expenses over periods that approximate employees' years of active service, as well as the required note disclosures. For the fiscal year ending May 31, 2015, the Village's net OPEB obligations were \$30,093,524 of which \$26,052,971 is recorded as a liability in governmental activities on the government-wide financial statements, and accordingly is the prime factor in the negative value of net position in governmental

activities. For the business-type net position, the Electric Fund and Water Fund net position totals were \$24,547,089 and \$17,678,891, respectively.

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

The Village's financial statements are comprised of this MD&A and the basic financial statements. The MD&A provides an analysis and overview of the Village's financial activities. The basic financial statements include three components: government-wide financial statements; fund financial statements; and notes to financial statements. This report also includes other supplementary information as listed in the table of contents.

### **Government-Wide Financial Statements**

The *government-wide* financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to finance Village programs, are excluded from these statements.

The Statement of Net Position presents the Village's total assets and deferred outflows of resources, as well as total liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in the net position may serve as a gauge to determine whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing the change in the Village's net position during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the Village.

Both of the above financial statements have separate sections for the two different types of activities. These two types of activities are:

**Governmental activities** - The activities reflected in this section are general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by taxes, charges for services and operating grants and contributions.

**Business-type activities** - These activities consist of the Village's two enterprise funds: water and electric. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

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

## **Fund Financial Statements**

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures or expenses, as appropriate. 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 divides its funds into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* - Most of the basic services provided by the Village are financed and accounted for through governmental funds. Governmental fund financial statements focus on *current inflows and outflows of spendable resources* as well as the *available balances of these resources* at the end of the fiscal year. This information is useful in determining the Village's financing requirements for the subsequent fiscal period. Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting with the exception of the Section 8 Fund where the accrual basis of accounting is utilized.

Because the focus of governmental funds is for the much narrower current period, it is useful to compare this information to the data presented in the *government-wide* financial statements in order to better understand the long-term impact of the Village's current 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 has six individual governmental funds: General, Capital Projects, Community Development, Section 8 Housing, Special Purpose and Debt Service funds. Of these, the General and Capital Projects funds are reported as major funds and are presented in separate columns on the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. Data for the other governmental funds are combined into a single, aggregated column on these statements. Individual fund data for these non-major funds can be found on the combining statements elsewhere in this report.

The Village adopts an annual budget for its General and Debt Service funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the respective budgets.

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

*Proprietary funds* - The Village maintains two different types of proprietary funds: *enterprise funds* and *internal service funds*. These funds are used to show activities that operate similar to private business enterprises and charge fees for services provided. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, like the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Village uses enterprise funds to account for its Water and Electric activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. Within the Internal Service fund, the Village accounts for its activities related to workers' compensation benefits, general liability claims and unemployment claims.

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

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

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

### **Notes to Financial Statements**

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

### **Other Information**

Additional statements and schedules can be found immediately following the notes to financial statements. These include the combining statements for the non-major governmental funds and proprietary funds and schedules of budget to actual comparisons.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$31,095,027 for fiscal 2015.

The following table reflects the condensed Statement of Net Position:

	May 31, 2014			May 31, 2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current Assets	\$23,814,676	\$18,265,308	\$42,079,984	\$26,924,579	\$20,601,395	\$47,525,974
Capital Assets, Net	36,377,013	53,953,322	90,330,335	42,915,332	59,051,351	101,966,683
Total Assets	<u>60,191,689</u>	<u>72,218,630</u>	<u>132,410,319</u>	<u>69,839,911</u>	<u>79,652,746</u>	<u>149,492,657</u>
Deferred Outflows of Resources	<u>437,468</u>	<u>318,546</u>	<u>756,014</u>	<u>364,557</u>	<u>281,711</u>	<u>646,268</u>
Current Liabilities	5,344,627	4,551,113	9,895,740	5,094,085	7,056,687	12,150,772
Non-current Liabilities	66,013,433	26,772,065	92,785,498	76,118,548	30,651,790	106,770,338
Total Liabilities	<u>71,358,060</u>	<u>31,323,178</u>	<u>102,681,238</u>	<u>81,212,633</u>	<u>37,708,477</u>	<u>118,921,110</u>
Deferred Inflows of Resources	<u>82,995</u>		<u>82,995</u>	<u>122,788</u>		<u>122,788</u>
Net Position:						
Net investment in capital assets	20,330,836	34,143,448	54,474,284	22,233,324	35,702,976	57,936,300
Restricted	1,633,122		1,633,122	2,880,887		2,880,887
Unrestricted (Deficit)	<u>(32,775,856)</u>	<u>7,070,550</u>	<u>(25,705,306)</u>	<u>(36,245,164)</u>	<u>6,523,004</u>	<u>(29,722,160)</u>
Total Net Position (Deficit)	<u>(\$10,811,898)</u>	<u>\$41,213,998</u>	<u>\$30,402,100</u>	<u>(\$11,130,953)</u>	<u>\$42,225,980</u>	<u>\$31,095,027</u>

The largest component of the Village's net position reflects its net investment in capital assets amounting to \$57,936,300. The Village uses these capital assets to provide services to its citizens and, consequently, these assets are not available for future spending. Although the Village's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be utilized to liquidate these liabilities.

Restricted net position of \$2,880,887 represents resources that are subject to external restrictions on how they may be used. The restrictions are for the following purposes:

	<u>May 31,</u>	
	<u>2014</u>	<u>2015</u>
Capital projects	\$298,870	\$480,610
Employee benefit		
accrued liability	733,023	1,797,172
Debt Service	181,309	280,812
Section 8 housing	284,462	131,104
Special purpose -		
culture and recreation		
and public safety	<u>135,458</u>	<u>191,189</u>

Unrestricted net position (deficit) totaled (\$29,722,160). This amount is comprised of Governmental Activities net position (deficit) totaling (\$36,245,164) and business-type activities net position totaling \$6,523,004. The deficit in governmental activities net position is primarily due to (1) compensated absences of approximately \$15.5 million, and (2) other post employment benefit obligations recorded in accordance with GASB Statement No. 45 of approximately \$26.0 million, with no offsetting assets.

The following table reflects the changes in net position from operating results:

	May 31, 2014			May 31, 2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>Program Revenues:</b>						
Charges for Services:	\$12,970,990	\$32,552,012	\$45,523,002	\$12,786,408	\$30,050,716	\$42,837,124
Operating Grants and Contributions	3,300,654		3,300,654	3,669,389		3,669,389
Capital Grants and Contributions	1,143,138		1,143,138	1,434,560		1,434,560
<b>General Revenues:</b>						
Real Property Taxes	26,129,571		26,129,571	27,312,754		27,312,754
Non Property Taxes	811,969		811,969	906,877		906,877
Unrestricted Use of Money and Property	99,526	85,530	185,056	82,143	101,026	183,169
State and Federal Aid	812,711		812,711	761,799		761,799
Miscellaneous	884,690		884,690	963,717		963,717
<b>Total Revenues</b>	<b>\$46,153,249</b>	<b>\$32,637,542</b>	<b>\$78,790,791</b>	<b>47,917,647</b>	<b>30,151,742</b>	<b>78,069,389</b>
<b>Program Expenses:</b>						
General Government and Admin.	8,213,879		8,213,879	8,316,220		8,316,220
Public Safety	20,949,004		20,949,004	21,259,003		21,259,003
Health	143,514		143,514	56,349		56,349
Transportation	5,497,651		5,497,651	5,286,167		5,313,654
Economic Opportunity and Development	3,022,159		3,022,159	2,803,056		2,803,056
Culture and Recreation	5,199,941		5,199,941	4,888,405		4,905,129
Home and Community Services	5,229,599		5,229,599	4,940,809		4,968,809
Interest	661,191		661,191	686,693		686,693
Water Fund		5,129,614	5,129,614		4,827,391	4,827,391
Electric Fund		26,347,523	26,347,523		24,312,369	24,312,369
<b>Total Expenses</b>	<b>48,916,938</b>	<b>31,477,137</b>	<b>80,394,075</b>	<b>48,236,702</b>	<b>29,139,760</b>	<b>77,448,673</b>
<b>Change in Net Position</b>	<b>(2,763,689)</b>	<b>1,160,405</b>	<b>(1,603,284)</b>	<b>(319,055)</b>	<b>1,011,982</b>	<b>692,927</b>
<b>Net Position - Beginning of Year</b>	<b>(8,048,209)</b>	<b>40,053,593</b>	<b>32,005,384</b>	<b>(10,811,898)</b>	<b>41,213,998</b>	<b>30,402,100</b>
<b>Net Position - End of Year</b>	<b>\$ (10,811,898)</b>	<b>\$ 41,213,998</b>	<b>\$ 30,402,100</b>	<b>\$ (11,130,953)</b>	<b>\$ 42,225,980</b>	<b>\$ 31,095,027</b>



**Governmental activities.** As discussed previously, governmental activities resulted in a \$319,055 reduction in the Village's net position during the current fiscal year. This resulted in an erosion of the Village's financial condition. Governmental activities reflected a net deficit of (\$11,130,953) based on total revenues of \$47,917,647 and total expenses of \$48,236,702.

Property taxes (\$27.3 million) and charges for services (\$13.0 million) represented the largest revenue sources. Property taxes grew 4.5% due to a real estate tax rate increase of 4.44%. Collection of the current tax levy remains very strong at nearly 100%. Operating grants for general government and administration increased by \$368,735 due primarily to additional FEMA reimbursements in the current year.

Public Safety expenses totaled \$21.3 million and represented 44% of total expenses. Culture and Recreation expenses totaled \$4.9 million and reflected the Village's continuing commitment to its parks and recreation programs. Transportation expenditures totaled \$5.3 million, a decrease of \$2 million from the prior year. Additional post-employment benefits obligations of \$3,869,537 were a significant reason for the decline in net position.

**Business-type activities.** Business-type activities reflected a net position totaling \$42,225,980 of which the Water and Electric Funds totals were \$17,678,891 and \$24,547,089, respectively. Electric Fund metered sales totaled \$24,798,043, a decrease from \$27,133,374 in fiscal 2014. This decrease was primarily due to the decrease in consumption offset by an increase in electric rates. Metered sales in the Water Fund decreased from \$4,621,079 in fiscal 2014 to \$4,440,216 in fiscal 2015. Purchased power for the Electric Fund decreased from \$12,215,145 in fiscal 2014 to \$11,476,806 in fiscal 2015, due to the above decrease in customer utilization. Taxes decreased by approximately \$400,000 and employee benefits for the Electric Fund decreased by approximately \$617,000 from fiscal 2014, primarily due to decreases in retirement expense, compensated absences and medical and dental insurance costs which include other postemployment benefits. These decreases in expenses helped improve the net position of the fund.

### **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 a combined ending fund balance of \$18,335,729, an increase of \$3,314,527 from the prior year. Of the total combined fund balance, \$3,041,776 constitutes unassigned fund balance in the General Fund, \$1,713,394 constitutes assigned fund balance in the General fund, \$1,028,398 constitutes

assigned fund balance in the Capital Projects Fund, and \$12,550,897 constitutes aggregate restricted fund balance in all governmental funds.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the total fund balance of the General Fund was \$6,552,342 compared to \$5,148,195 at May 31, 2014. None of the May 31, 2015 fund balance was appropriated towards the next fiscal year budget. \$3,510,566 of the General Fund fund balance is either assigned or restricted and therefore is not available for discretionary spending. The assigned fund balance is comprised of \$1,399,956 for future real estate tax refunds and \$313,438 to liquidate contracts and purchase orders.

General Fund revenues and other financing sources aggregated \$43,642,633 in fiscal 2015, an increase of \$1,544,865 from fiscal year 2014. Real property taxes totaled \$27,312,754, an increase of \$1,183,183 or 4.53% from fiscal year 2014 due to a 4.44% real estate tax increase and represented the single largest revenue source at 62.58% of total General Fund revenues. Parks and recreation charges totaled \$1,883,202, an increase of \$11,721 from fiscal year 2014. Building and alteration permits increased by \$173,237, from \$1,145,896 in fiscal year 2014 to \$1,319,133 in fiscal year 2015, primarily due to a new construction project at Molloy College. Parking permit revenues increased from \$1,176,506 in fiscal 2014 to \$1,207,414 in fiscal 2015 due to higher permit sales. Interfund revenues generated from charges to the Water and Electric funds decreased by \$498,049, to a total of \$4,829,783, primarily as a result of decreases to reimbursements for wages and benefit expenditures.

Once again, public safety represented the largest expenditure category totaling \$12,435,766, a \$67,584 increase from fiscal year 2014. Employee benefits decreased from \$11,101,839 in fiscal year 2014 to \$10,712,215 in fiscal year 2015. Expenditures related to the New York State Employees and Police Retirement Systems decreased from \$4,312,642 in fiscal 2014 to \$3,915,882 in fiscal year 2015. Health insurance related expenditures increased from \$4,444,683 in fiscal year 2014 to \$4,602,527 in fiscal year 2015. General government support expenditures aggregated \$6,079,330, an increase of \$734,650 from fiscal year 2014. Lastly, transfers for debt service increased by \$669,384 from \$2,963,046 during fiscal year 2014 to \$3,632,430 during fiscal 2015.

The Capital Projects Fund is used to account for capital project activity throughout the Village, exclusive of activity in the Water and Electric Enterprise funds. The fund balance totaled \$11,179,018, an increase of \$1,908,480 from fiscal year 2014. Expenditures totaled \$8,383,778 in fiscal year 2015, a \$4,919,259 increase from fiscal year 2014. Capital projects during fiscal 2015 included road improvements, the renovation of Village buildings and athletic fields and the acquisition of two dump trucks, a passenger bus for the senior center and computer hardware.

Non-major Governmental Funds consists of Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: Community Development, Section 8 Housing and Special Purpose. For fiscal year 2015, the combined fund balance of the non-major Governmental Funds totaled \$604,369 as compared to \$602,469 at May 31, 2014. The Special Purpose Fund portion of the fund balance totaled \$191,189 and

consisted of a reserve for trusts to be utilized for recreational and police purposes. The Section 8 Housing Fund had a restricted fund balance of \$131,104.

The Debt Service Fund had a total fund balance at May 31, 2015 of \$280,812 all of which was restricted for future debt service purposes. At May 31, 2014, the Debt Service Fund had a total fund balance of \$181,309. Debt service expenditures for fiscal year 2015 totaled \$3,662,208, an increase of \$599,162 from fiscal year 2014.

**Proprietary funds.** The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position totaled \$42,225,980 at the end of fiscal year 2015 compared to \$41,213,998 at May 31, 2014. Other factors concerning the finances of the Enterprise Fund have already been addressed in the discussion of the Village's business-type activities.

There is no net position reported in the Village's Internal Service Fund. It has been the Village's practice to have the General and Enterprise funds transfer the necessary amounts to meet all projected general liability, unemployment and worker's compensation expenditures on an annual basis.

### **Budgetary Highlights**

The Village adopts annual operating budgets for its General and Debt Service funds and reports the results of operations on a budgetary comparison basis. The Village also used budget estimates as a management tool for its enterprise and internal service funds, although the Village does not report the results of these funds on a budgetary comparison basis. The Capital Projects Fund is budgeted on a project basis.

In preparing its budget, the Village attempts to estimate its revenues and expenditures using realistic, but conservative methods so as to budget its operations in a prudent manner. As a result, the Board of Trustees adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing or creation of new programs.

The final amended General Fund budget reflected a \$1,811,917 increase in appropriations from the original budget. The increase is largely attributable to the larger than anticipated expenditures in general government support. The revenue budget increased \$1,552,800, primarily due to unanticipated state and federal aid.

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

**Capital Assets.** The Village's capital assets for its governmental and business type activities as of May 31, 2015 amount to \$101,966,683 (net of accumulated depreciation). These capital assets include land, buildings and equipment, infrastructure and construction-in-progress.

**Capital Assets**  
(Net of Depreciation)  
(in thousands)

	May 31, 2014			May 31, 2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	\$4,576	\$376	\$4,952	\$4,576	\$376	\$4,952
Buildings and Equipment	17,772	47,858	65,630	18,879	49,581	68,460
Infrastructure	9,684		9,684	8,279		8,279
Construction-in-Progress	4,345	5,719	10,064	11,181	9,094	20,275
<b>Total</b>	<b>\$36,377</b>	<b>\$53,953</b>	<b>\$90,330</b>	<b>\$42,915</b>	<b>\$59,051</b>	<b>\$101,966</b>

Additional information on the Village's capital assets can be found in Note 8 in the notes to financial statements.

**Long-term Debt.** At the end of the current fiscal year, the Village had total debt outstanding of \$53,090,000 compared to \$43,725,000 at May 31, 2014. The Village's total long-term debt increased by \$9,365,000 from the prior fiscal year. All of this debt is backed by the full faith and credit of the Village. During fiscal year 2015 the Village issued \$14,460,000 of new general obligation bonds.

**Outstanding Debt**  
**General Obligation Bonds**  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
General Obligation Bonds	\$24,260	\$30,125	\$19,465	\$22,965	\$43,725	\$53,090

Through sound financial management, effective budgetary controls and manageable debt levels, the Village has been successful in receiving its high-grade ratings for its general obligation bonds. The Village enjoys bond ratings of AA2 from Moody's Investors Service and AA+ from Standard and Poor's. These ratings place the Village in the upper tier of rated Villages on Long Island.

The New York State Constitution limits the amount of indebtedness, both long-term and short-term, which the Village may incur. The State Constitution provides that the Village may not

contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the Village for the most recent five years. Certain indebtedness is excluded in determining the Village's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Village's authority to issue debt subject to the limit. At May 31, 2015, the Village had a constitutional debt limit in excess of \$302 million. Total debt for both governmental and business-type activities is well below this amount.

Additional information on the Village's long-term debt can be found in Note 11 in the notes to financial statements.

### **Economic Factors and Fiscal Year 2016 Budget**

The Village continues to enjoy both strong economic and fiscal health. "The 2010 Census" reported median household and per capita incomes at \$104,023 and \$53,417, which are 87% and 73% above the New York State averages respectively. 5.2% of the population is living below the poverty level, 63% below the New York State average.

The fiscal 2016 budget contained a 2.83% real estate tax rate increase. During the last twenty years, annual real estate tax increases have averaged approximately 5.0%. During this same time frame, annual real estate tax collections have averaged 99.9%.

The following revenue sources are expected to experience budget growth in 2016: payments in lieu of taxes from \$500,700 to \$526,008, street parking fees from \$1,200,000 to \$1,280,000, park and recreation fees from \$1,875,000 to \$2,000,000 and building permits from \$1,000,000 to \$1,100,000. Birth and death certificates are expected to generate approximately \$67,000 for 2016.

Fines and forfeited bail and transfers from the Electric and Water funds are anticipated to decline a combined \$511,910 during fiscal 2016.

The fiscal 2016 budget assumes a 1.2% increase in expenditures. Police Department appropriations have decreased by approximately \$330,000. Retirement Systems expenditures are anticipated to decrease by \$130,000 as lower employer contribution rates will be assessed by both the New York State Employees and Police/Fire Retirement Systems. Street maintenance/snow removal and refuse appropriations have increased by \$92,000 and \$57,000, respectively.

The schedule below provides the budget growth in funding premiums from the New York State Retirement Systems during the last twelve fiscal years.

**Adopted General Fund Budget for Retirement Systems**

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>\$ 1,702,000</b>	<b>\$ 1,675,000</b>	<b>\$ 1,720,000</b>	<b>\$ 1,670,000</b>	<b>\$ 1,595,000</b>	<b>\$ 1,582,000</b>

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>\$ 2,213,000</b>	<b>\$ 2,692,000</b>	<b>\$ 3,566,512</b>	<b>\$ 4,117,926</b>	<b>\$ 4,080,000</b>	<b>\$3,950,000</b>

The total debt service budget for fiscal year 2016 is \$4,074,743 compared to \$3,668,255 during fiscal year 2015.

Health insurance related expenditures continue to grow. The schedule below reveals the budget growth in this category during the last twelve fiscal years.

**Adopted General Fund Budget for Health Insurance**

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>\$2,720,000</b>	<b>\$2,910,000</b>	<b>\$3,210,000</b>	<b>\$3,250,000</b>	<b>\$3,475,000</b>	<b>\$3,616,000</b>

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>\$3,852,000</b>	<b>\$4,322,770</b>	<b>\$4,537,000</b>	<b>\$4,690,674</b>	<b>\$4,653,000</b>	<b>\$4,862,000</b>

The health insurance budget has increased 79% between fiscal year 2005 and fiscal year 2016. The fiscal year 2016 budget for health insurance is \$4,862,000, an increase of \$209,000 from fiscal year 2015. Short term health insurance premium increases are expected to continue at the same pace as in recent fiscal years. However, there is some concern that long term premium increases may experience more significant growth in response to federal health care reform.

**Requests for Information**

This financial report is designed to provide a general overview of the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Michael Schussheim, Comptroller, Village of Rockville Centre, PO Box 950, Rockville Centre, NY 11571-0950, telephone (516) 678-9228 or visit the Village's web site at [www.rvcny.us](http://www.rvcny.us).

**BASIC FINANCIAL  
STATEMENTS**

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
MAY 31, 2015**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents - unrestricted	\$ 12,048,325	\$ 12,631,283	\$ 24,679,608
Cash and cash equivalents - restricted	12,764,926		12,764,926
Taxes receivable, net of allowance for uncollectible amounts	37,864		37,864
Other receivables:			
Accounts, net	162,212	5,170,612	5,332,824
State and federal aid	1,094,739		1,094,739
Due from other governments	428,004		428,004
Due from fiduciary fund	124,470		124,470
Internal balances	10,580	(10,579)	1.00
Prepaid expenses	253,459		253,459
Inventories		2,840,307	2,840,307
Capital assets (net of accumulated depreciation):			
Land	4,576,378	375,885	4,952,263
Construction-in-progress	11,180,669	9,094,536	20,275,205
Buildings and equipment	18,879,410	49,580,930	68,460,340
Infrastructure	8,278,875		8,278,875
<b>TOTAL ASSETS</b>	<b>69,839,911</b>	<b>79,682,974</b>	<b>149,522,885</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	364,557	281,711	646,268
<b>LIABILITIES</b>			
Payables			
Accounts payable	1,807,042	4,976,087	6,783,129
Accrued liabilities	1,784,735	102,573	1,887,308
Accrued interest payable	258,564	251,817	510,381
Due to other governments	1,803		1,803
Due to retirement systems	1,080,389	166,549	1,246,938
Customer deposits		1,476,256	1,476,256
Unearned revenues			
Collections in advance	161,552	113,632	275,184
Noncurrent liabilities			
Due within one year			
Bonds payable, inclusive of premiums	3,457,951	2,697,114	6,155,065
Claims payable	1,769,502		1,769,502
Compensated absences	388,462	74,529	462,991
Due in more than one year			
Bonds payable, inclusive of premiums	27,438,624	20,932,972	48,371,596
Claims payable	1,861,039		1,861,039
Compensated absences	15,149,999	2,906,623	18,056,622
Net other post-employment benefits obligations	26,052,971	4,040,553	30,093,524
<b>TOTAL LIABILITIES</b>	<b>81,212,633</b>	<b>37,738,704</b>	<b>118,951,337</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes received in advance	122,788		122,788
<b>NET POSITION</b>			
Net investment in capital assets	22,233,324	35,702,976	57,936,300
Restricted for:			
Capital projects	480,610		480,610
Employee benefit accrued liability	1,797,172		1,797,172
Debt service	280,812		280,812
Section 8 Housing	131,104		131,104
Special purpose	191,189		191,189
Unrestricted (deficit)	(36,245,164)	6,523,004	(29,722,160)
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ (11,130,953)</b>	<b>\$ 42,225,980</b>	<b>\$ 31,095,027</b>

See Accompanying Notes to the Financial Statements



**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Program Revenues				Net (Expense) Revenue and Change in Net Position		
					Primary Government		
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total
FUNCTIONS / PROGRAMS							
Governmental Activities							
General government and administration	\$ 8,316,220	\$ 5,308,143	\$ 932,774		\$ (2,075,303)		\$ (2,075,303)
Public safety	21,259,003	3,792,973	3,500		(17,462,530)		(17,462,530)
Health	56,349	69,230			12,881		12,881
Transportation	5,286,167			\$ 969,660	(4,316,507)		(4,316,507)
Economic opportunity and development	2,803,056	112,485	2,417,311		(273,260)		(273,260)
Culture and recreation	4,888,405	1,928,304	167,883	464,900	(2,327,318)		(2,327,318)
Home & community services	4,940,809	1,575,273	147,921		(3,217,615)		(3,217,615)
Interest	686,693				(686,693)		(686,693)
Total Governmental Activities	48,236,702	12,786,408	3,669,389	1,434,560	(30,346,345)	\$ -	(30,346,345)
Business-Type Activities							
Water fund	4,827,391	5,099,967				272,576	272,576
Electric fund	24,312,369	24,950,749				638,380	638,380
Total Business-Type Activities	29,139,760	30,050,716	-	-	-	910,956	910,956
Total Primary Government	\$ 77,376,462	\$ 42,837,124	\$ 3,669,389	\$ 1,434,560	(30,346,345)	910,956	(29,435,389)
GENERAL REVENUES							
Property taxes, levied for general purpose					27,312,754		27,312,754
Non-property taxes					906,877		906,877
Use of money & property					82,143	101,026	183,169
State aid (unrestricted)					761,799		761,799
Miscellaneous					963,717		963,717
TOTAL GENERAL REVENUES					30,027,290	101,026	30,128,316
CHANGE IN NET POSITION					(319,055)	1,011,982	692,927
NET POSITION - BEGINNING OF YEAR					(10,811,898)	41,213,998	30,402,100
NET POSITION - END OF YEAR					\$ (11,130,953)	\$ 42,225,980	\$ 31,095,027

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**MAY 31, 2015**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents - unrestricted	\$ 7,801,608	\$ 831,667	\$ 36,611	\$ 8,669,886
Cash and cash equivalents - restricted	1,797,172	10,150,620	817,134	12,764,926
Taxes receivable, net of allowance for uncollectible amounts	37,864			37,864
Other receivables:				
Accounts, net	5,161	655	19,146	24,962
State and federal aid	104,935	989,804		1,094,739
Due from other governments	67,157	334,268	26,579	428,004
Due from other funds	223,645		12,788	236,433
<b>TOTAL ASSETS</b>	<u>\$ 10,037,542</u>	<u>\$ 12,307,014</u>	<u>\$ 912,258</u>	<u>\$ 23,256,814</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Payables				
Accounts payable	\$ 547,411	\$ 1,116,903	\$ 4,121	\$ 1,668,435
Accrued liabilities	1,542,162		242,573	1,784,735
Due to other governments	1,803			1,803
Due to retirement systems	1,080,389			1,080,389
Due to other funds	29,095	11,093	61,195	101,383
Unearned revenues				
Collections in advance	161,552			161,552
<b>TOTAL LIABILITIES</b>	<u>3,362,412</u>	<u>1,127,996</u>	<u>307,889</u>	<u>4,798,297</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Taxes received in advance	122,788			122,788
<b>FUND BALANCES</b>				
Restricted	1,797,172	480,610	603,105	2,880,887
Restricted (unspent proceeds)		9,670,010		9,670,010
Assigned (community development)			1,264	1,264
Assigned (tax certiorari)	1,399,956			1,399,956
Assigned (unappropriated)	313,438	1,028,398		1,341,836
Unassigned	3,041,776			3,041,776
<b>TOTAL FUND BALANCES</b>	<u>6,552,342</u>	<u>11,179,018</u>	<u>604,369</u>	<u>18,335,729</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 10,037,542</u>	<u>\$ 12,307,014</u>	<u>\$ 912,258</u>	<u>\$ 23,256,814</u>

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
MAY 31, 2015**

**Total Governmental Fund Balances**

**\$ 18,335,729**

**Amounts reported for governmental activities in the Statement of Net Position are different because:**

The cost of building and acquiring capital assets (land, buildings, equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position include those capital assets among the assets of the Village as a whole, and their original costs are expensed annually over their useful lives.

Original cost of capital assets	\$ 75,349,758	
Accumulated depreciation	<u>(32,434,426)</u>	42,915,332

The internal service fund is used by management to charge the costs of certain activities, such as insurance, to individual funds. Total assets of the internal service fund less current liabilities, reported on the Statement of Net Position.

3,630,541

Governmental funds report the effect of gain on defeasance when debt is first issued as a revenue, whereas these amounts are deferred and amortized in the Statement of Activities.

364,557

Interest payable applicable to the Village's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. However, these liabilities are included in the Statement of Net Position.

(258,564)

Premium on bond refunding and serial bonds. The Statement of Activities will amortize the premium on bond refunding and serial bonds over the life of the bonds. Governmental funds recorded the premiums as a revenue in the year of issue.

(771,575)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Compensated absences	\$ (15,538,461)	
Claims payable	(3,630,541)	
Bonds payable	(30,125,000)	
Net other post-employment benefits obligation	<u>(26,052,971)</u>	<u>(75,346,973)</u>

**Total Net Position (deficit)**

**\$ (11,130,953)**

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Real property taxes	\$ 27,312,754			\$ 27,312,754
Other tax items	906,877			906,877
Departmental income	4,675,783		\$ 120,985	4,796,768
Use of money & property	92,705		34,738	127,443
Licenses & permits	1,736,837			1,736,837
Fines & forfeitures	1,308,490			1,308,490
Sale of property & compensation for loss	104,280			104,280
Intergovernmental charges	4,829,783			4,829,783
State aid	933,182	\$ 969,660		1,902,842
Federal aid	828,494		2,565,232	3,393,726
Miscellaneous	913,448	464,900	119,499	1,497,847
<b>TOTAL REVENUES</b>	<u>43,642,633</u>	<u>1,434,560</u>	<u>2,840,454</u>	<u>47,917,647</u>
<b>EXPENDITURES</b>				
Current:				
General government	6,079,330			6,079,330
Public safety	12,435,766			12,435,766
Health	53,176			53,176
Transportation	2,708,131			2,708,131
Economic opportunity and development	92,532		2,683,636	2,776,168
Culture and recreation	3,139,571		63,768	3,203,339
Home and community services	3,281,524		156,540	3,438,064
Employee benefits	10,712,215			10,712,215
Debt service:				
Principal			2,895,000	2,895,000
Interest	1,811		767,208	769,019
Capital outlay		8,383,778		8,383,778
<b>TOTAL EXPENDITURES</b>	<u>38,504,056</u>	<u>8,383,778</u>	<u>6,566,152</u>	<u>53,453,986</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>5,138,577</u>	<u>(6,949,218)</u>	<u>(3,725,698)</u>	<u>(5,536,339)</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Premium on obligations			90,866	90,866
Issuance of serial bonds		8,760,000		8,760,000
Operating transfers in		102,000	3,636,732	3,738,732
Operating transfers (out)	(3,734,430)	(4,302)		(3,738,732)
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<u>(3,734,430)</u>	<u>8,857,698</u>	<u>3,727,598</u>	<u>8,850,866</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,404,147</u>	<u>1,908,480</u>	<u>1,900</u>	<u>3,314,527</u>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>5,148,195</u>	<u>9,270,538</u>	<u>602,469</u>	<u>15,021,202</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,552,342</u>	<u>\$ 11,179,018</u>	<u>\$ 604,369</u>	<u>\$ 18,335,729</u>

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

<b>Net Change in Fund Balances</b>		<b>\$ 3,314,527</b>
<b>Long-Term Revenue and Expense Differences</b>		
In the Statement of Activities, compensated absences (vacation and sick days) are measured by the amounts earned or incurred during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used. Compensated absences from May 31, 2014 to May 31, 2015 changed by:		(428,824)
Net other post employment benefits obligation in the Statement of Activities is measured by the amounts earned or incurred during the year. In the governmental funds expenditures for these items are measured by the amount of financial resources used. Net other post employment benefits payable from May 31, 2014 to May 31, 2015 changed by:		(3,869,537)
<b>Capital Related Differences</b>		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation expense in the Statement of Activities.		
Capital outlays	\$ 8,383,778	
Capital asset additions	623,672	
Depreciation expense	<u>(2,370,114)</u>	6,637,336
The net effect of the retirement of certain general capital assets before being fully depreciated is to decrease net position.		(99,017)
<b>Long-Term Debt Differences</b>		
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities		2,895,000
Issuance of bonds is a source of revenue in the governmental funds, but it increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		(8,760,000)
Governmental funds report the premiums, discounts and similar items on the refunded debt when the debt is first issued. These amounts are deferred and amortized in the Statement of Activities. Amortization for the fiscal year ended May 31, 2015 was		93,545
Deferred charges are amortized in the Statement of Net Position over the life of the bond. Governmental funds recorded the charges as expenditures in the year received. Amortization for the fiscal year ended was:		(72,911)
Bond premiums received relating to serial bonds are revenues in the year of issue in the governmental funds. In the Statement of Activities, the premium is amortized over the life of the bonds.		(90,866)
Interest on long-term debt in the Statement of Activities differs from the amounts reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and this requires the use of current financial resources. In the Statements of Activities, interest expense is recognized as the interest accrues regardless of when it is due. Accrued interest from May 31, 2014 to May 31, 2015 changed by:		<u>61,692</u>
<b>Change in Net Position of Governmental Activities</b>		<b>\$ (319,055)</b>

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS**  
**MAY 31, 2015**

	Business-Type Activities- Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Electric	Totals	
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 3,865,398	\$ 8,765,885	\$ 12,631,283	\$ 3,378,439
Receivables				
Accounts, net	1,844,507	3,326,105	5,170,612	137,250
Due from other funds	16,728	24,542	41,270	
Prepaid expenses				
Inventories	289,707	2,550,600	2,840,307	253,459
Total Current Assets	6,016,340	14,667,132	20,683,472	3,769,148
Non-Current Assets				
Land	327,271	48,614	375,885	
Construction-in-progress	4,482,303	4,612,233	9,094,536	
Buildings and equipment	32,384,715	59,882,137	92,266,852	
	37,194,289	64,542,984	101,737,273	
Less - Accumulated depreciation	(10,708,134)	(31,977,788)	(42,685,922)	
Total Non-Current Assets	26,486,155	32,565,196	59,051,351	
<b>TOTAL ASSETS</b>	32,502,495	47,232,328	79,734,823	3,769,148
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	86,643	195,068	281,711	
<b>LIABILITIES</b>				
Payables				
Accounts payable	1,173,199	3,802,888	4,976,087	138,607
Accrued liabilities	13,797	88,776	102,573	
Accrued interest	110,472	141,345	251,817	
Due to other funds	24,662	27,187	51,849	
Customer deposits	25,032	1,451,224	1,476,256	
Due to retirement system	22,155	144,394	166,549	
Bonds payable, inclusive of premiums	1,461,834	1,235,280	2,697,114	
Claims payable				
Compensated absences	9,687	64,842	74,529	1,631,375
Unearned revenue				
Collections in advance	44,436	69,196	113,632	
Total Current Liabilities	2,885,274	7,025,132	9,910,406	1,769,982
Non-Current Liabilities				
Bonds payable, inclusive of premiums	11,072,440	9,860,532	20,932,972	
Claims payable				
Compensated absences	377,774	2,528,849	2,906,623	1,999,166
Net other post-employment benefits obligations	574,759	3,465,794	4,040,553	
Total Non-Current Liabilities	12,024,973	15,855,175	27,880,148	1,999,166
<b>TOTAL LIABILITIES</b>	14,910,246	22,880,307	37,790,553	3,769,148
<b>NET POSITION</b>				
Net investment in capital assets	14,038,524	21,664,452	35,702,976	
Unrestricted	3,640,367	2,882,637	6,523,004	
<b>TOTAL NET POSITION</b>	\$ 17,678,891	\$ 24,547,089	\$ 42,225,980	\$ -

See Accompanying Notes to the Financial Statements

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Electric	Totals	
<b>OPERATING REVENUES</b>				
Charges for services				
Metered sales	\$ 4,440,216	\$ 24,798,043	\$ 29,238,259	
Penalty income	121,727		121,727	
Risk management				\$ 2,108,119
Miscellaneous	18,083	152,706	170,789	
Total operating revenues	<u>4,580,026</u>	<u>24,950,749</u>	<u>29,530,775</u>	<u>2,108,119</u>
<b>OPERATING EXPENSES</b>				
Purchased power	201,601	11,476,806	11,678,407	
Depreciation	698,299	1,496,099	2,194,398	
Maintenance	374,158	14,229	388,387	
Interfund charges	751,627	3,313,174	4,064,801	
Production		2,114,815	2,114,815	
Transmission and distribution	771,242	1,122,874	1,894,116	
Street lighting		260,440	260,440	
General and administrative	1,172,542	1,176,395	2,348,937	441,624
Employee benefits	470,284	2,761,516	3,231,800	866,692
Insurance	75,000	258,333	333,333	198,858
Customer deposit interest		9,841	9,841	
Judgments and claims				610,034
Total operating expenses	<u>4,514,753</u>	<u>24,004,522</u>	<u>28,519,275</u>	<u>2,117,208</u>
Operating income (loss)	<u>65,273</u>	<u>946,227</u>	<u>1,011,500</u>	<u>(9,089)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Rental income	519,941		519,941	
Interest income	56,651	44,375	101,026	9,089
Interest expense	(312,638)	(307,847)	(620,485)	
Total non-operating revenues (expenses)	<u>263,954</u>	<u>(263,472)</u>	<u>482</u>	<u>9,089</u>
<b>CHANGE IN NET POSITION</b>	<u>329,227</u>	<u>682,755</u>	<u>1,011,982</u>	<u>-</u>
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<u>17,349,664</u>	<u>23,864,334</u>	<u>41,213,998</u>	<u>-</u>
<b>TOTAL NET POSITION - END OF YEAR</b>	<u>\$ 17,678,891</u>	<u>\$ 24,547,089</u>	<u>\$ 42,225,980</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water	Electric	Totals	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Revenue collected:				
Cash received from charges for services	\$ 4,682,499	\$ 25,696,580	\$ 30,379,079	\$ 2,108,119
Cash received from insurance recoveries				(36,690)
Payments for expenses				
Cash payments to other suppliers of goods or services	(1,741,001)	(15,227,739)	(16,968,740)	
Cash payments to employees for services and related expenses	(1,037,940)	(5,199,658)	(6,237,598)	(866,692)
Cash payments to insurance carriers and claimants				(1,334,415)
Cash payments to customers on deposit - interest		(9,841)	(9,841)	
Internal activity-payments to other funds for expense reimbursements	(35,227)	15,346	(19,881)	-
Net Cash Provided by Operating Activities	<u>1,868,331</u>	<u>5,274,688</u>	<u>7,143,019</u>	<u>(129,678)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	(4,049,200)	(3,243,227)	(7,292,427)	
Proceeds from capital debt	2,724,872	2,970,687	5,695,559	
Principal paid on capital debt	(1,216,073)	(982,261)	(2,198,334)	
Interest paid on capital debt	(320,358)	(252,356)	(572,714)	
Net Cash Used by Capital and Related Financing Activities	<u>(2,860,759)</u>	<u>(1,507,157)</u>	<u>(4,367,916)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and rental income	<u>576,592</u>	<u>44,375</u>	<u>620,967</u>	<u>9,089</u>
Net Cash Provided by Investing Activities	<u>576,592</u>	<u>44,375</u>	<u>620,967</u>	<u>9,089</u>
Net Increase in Cash and Cash Equivalents	(415,836)	3,811,906	3,396,070	(120,589)
Cash and Cash Equivalents at Beginning of Year	<u>4,281,234</u>	<u>4,953,979</u>	<u>9,235,213</u>	<u>3,499,028</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,865,398</u>	<u>\$ 8,765,885</u>	<u>\$ 12,631,283</u>	<u>\$ 3,378,439</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating income	\$ 65,273	\$ 946,227	\$ 1,011,500	\$ (9,089)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	698,299	1,496,099	2,194,398	
Decrease (increase) in:				
Accounts receivable	99,625	684,113	783,738	(36,690)
State and federal aid receivable		46,230	46,230	
Due from other funds	(14,461)	16,769	2,308	
Prepaid expenses				(95,928)
Inventory	18,773	200,895	219,668	
Increase (decrease) in:				
Accounts payable	961,466	1,553,772	2,515,238	67,596
Accrued liabilities	(56)	8,490	8,434	
Claims payable				(55,567)
Due to other funds	(20,766)	(1,423)	(22,189)	
Customer deposits	3,130	(53,708)	(50,578)	
Due to employees' retirement system	(3,354)	(9,348)	(12,702)	
Compensated absences	(9,823)	(155,037)	(164,860)	
Net other post-employment benefits obligations	70,507	472,413	542,920	
Net Cash Provided by Operating Activities	<u>\$ 1,868,331</u>	<u>\$ 5,274,688</u>	<u>\$ 7,143,019</u>	<u>\$ (129,678)</u>

See Accompanying Notes to the Financial Statements



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
MAY 31, 2015**

	<u>Agency Fund</u>	<u>Pension Trust Fund</u>
<b>ASSETS</b>		
Cash	\$ 591,047	
Investments-mutual funds, at fair value		\$ 3,665,566
Accounts receivable	23,187	
<b>TOTAL ASSETS</b>	<u>\$ 614,234</u>	<u>\$ 3,665,566</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 17,790	
Due to governmental funds	124,470	
Deposits	71,222	
Other liabilities	400,752	
<b>TOTAL LIABILITIES</b>	<u>\$ 614,234</u>	<u>\$ -</u>
<b>NET POSITION</b>		
Held in trust for pension benefits		<u>\$ 3,665,566</u>

See Accompanying Notes to the Financial Statements

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	<b>Pension Trust Fund</b>
<b>ADDITIONS</b>	
Pension contributions	\$ 235,900
Interest and net change in fair value of investments	286,075
<b>TOTAL ADDITIONS</b>	<u>521,975</u>
<b>DEDUCTIONS</b>	
Pension benefits	49,241
<b>TOTAL DEDUCTIONS</b>	<u>49,241</u>
<b>CHANGE IN NET POSITION</b>	472,734
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>3,192,832</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 3,665,566</u>

See Accompanying Notes to the Financial Statements

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**A) General Statement:**

The Village of Rockville Centre (the “Village”) was incorporated pursuant to an act of the New York State Legislature in July 1893. The Village operates under a Board of Trustees form of government in accordance with New York State 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 provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general administrative support.

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

Certain significant accounting principles and policies utilized by the Village are described below:

**B) Financial Reporting Entity:**

The financial reporting entity is based on criteria set forth by GASB Statement No. 14, *The Financial Reporting Entity* and as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and *GASB Statement 61, The Financial Reporting Entity: Omnibus*. The financial reporting entity consists of: (a) the primary government, which is the Incorporated Village of Rockville Centre, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The accompanying financial statements present the activities of the Village. The Village is not a component unit of another reporting entity. The decision to include a potential component unit in the Village’s reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability.

**C) Basis Presentation:**

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/net assets, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**i) Government-Wide Financial Statements**

The Government-Wide Financial Statements (The Statement of Net Position and the Statement of Activities) present information on all of the non-fiduciary activities of the primary government. The effect of interfund activity, within the governmental activities column, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financial accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital 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.

**ii) Fund Financial Statements**

Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide Financial Statements. The Village has presented all major funds that met those qualifications.

The Village reports the following major governmental funds.

**Governmental Funds:**

**General Fund** – General fund is the main operating fund of the Village. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

**Capital Projects Fund** – Capital projects fund is used to account for funds received and expended for the construction, renovation, expansion and major improvement of various Village facilities, thoroughfares, arterial streets and drainage improvements, improvements and construction of parks and recreational facilities and acquisition of land and other large nonrecurring projects.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

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

**Special Revenue Funds** –Special revenue funds are established to account for the proceeds of specified revenue sources that are legally restricted to expenditures for certain defined purposes. The special revenue funds of the Village are as follows:

**Community Development Fund** –This fund is used to account for projects financed primarily by entitlements from the U.S. Department of Housing and Urban Development.

**Section 8 Housing Fund** –This fund is used to account for resources received from the U.S. Department of Housing and Urban Development for housing assistance payment purposes. The fiscal year-end of the Section 8 Housing Fund is June 30, 2015.

**Special Purpose Fund** –This fund is used to account for various cultural and recreation activities. Financing is provided by fees.

**Debt Service Fund** – This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

**iii) Proprietary Fund:**

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows.

The Village reports the following proprietary funds.

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

**Internal Service Fund** – Internal service funds of the Village (which provide services primarily to other funds of the Village) are presented, in summary form, as part of the Proprietary Fund Financial Statements. Since the principal users of the internal services are the Village's governmental activities, financial activities of the internal service funds are presented in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate function/program (general government, public safety, education, public works, health and human services, and culture and recreation) in the Statement of Activities. The Village has established its risk management activities for general liability, workers' compensation and unemployment benefits in an internal service fund.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**iv) Fiduciary Funds:**

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary funds are used to account for assets held by the Village in a trustee or custodial capacity. These activities are not included in the Government-Wide Financial Statement, because their resources do not belong to the Village, and are not available to be used. The Village has represented the following fiduciary funds:

**Agency Fund** – This fund is strictly custodial in nature and does not involve the measurement of results of operations. Assets are held by the Village as an agent for payroll liabilities, bid deposits, and tickets related to the justice court.

**Pension Trust Fund** – This fund is used to account for investments for the Fire Service Length of Service Award Program (Defined contribution pension plan) and is strictly custodial in nature and does not involve the measurement of results of operations.

**D) Measurement Focus and Basis of Accounting:**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurement made, regardless of the measurement focus applied. The Section 8 Housing Fund is recorded on the accrual basis of accounting.

The Government-Wide Financial Statements, Fiduciary Fund Financial Statements and Proprietary Fund Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. Under the accrual basis revenues are recognized when earned, including unbilled services which are accrued.

The Fund Financial Statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual method of accounting revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers property taxes as available if they are collected within 60 days after year-end. A 60-day availability period is used for recognition of all other governmental fund revenues.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. Fines collected and held by the state at year-end on behalf of the government are also recognized as revenues. All other governmental fund revenues are recognized when received. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments and net other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the enterprise funds and the internal service fund are charges to customers for services. Operating expenses for the enterprise funds and the internal service fund include the costs of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses. Private sector standards of accounting and financial reporting issued on or before November 30, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that they do not conflict or contradict guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business type activities and enterprise funds. The Village has elected to not follow subsequent private sector guidance.

**E) Restricted Resources:**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Village's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

**F) Use of Estimates:**

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**G) Cash and Cash Equivalents:**

For purposes of the Statement of Cash Flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Statement of Cash Flows presented used the direct method. Certain cash balances are restricted by various legal and contractual obligations such as legal reserves, grants and debt agreements.

**H) Property Taxes Receivable:**

Real property tax rates are set by the Board prior to May 1<sup>st</sup>, signed by the Mayor no later than May 31<sup>st</sup> and become an enforceable lien on real property as of June 1<sup>st</sup>. Property taxes are due in two installments during June and December without penalty.

**I) 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/expenses are incurred. Allowances are reported when accounts are deemed to be uncollectible.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**J) Prepaid Expenses/Expenditures:**

Prepaid expenses/expenditures consist of insurance 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/or will benefit such periods.

**K) Inventory:**

The inventories reflected in the Proprietary Funds are stated at the lower of average cost or market. Purchases of inventoriable items at other locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

**L) Interfund Transactions:**

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

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the Village's practice to settle these amounts at a net balance based upon the right of legal offset.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Refer to Note 15 for a detailed disclosure by individual fund for interfund receivables, payables, expenditures and revenues activity.

**M) Capital Assets:**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the Government-Wide Financial Statements and in the Fund Financial Statements for the proprietary funds. All capital assets are valued at historical cost or estimated historical cost if the actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant or equipment.



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over one year of useful life. Infrastructure assets capitalized have an original cost of \$5,000 or more. In the case of the initial capitalization of general infrastructure assets (i.e. those reported by governmental activities), the Village chose to include all such items regardless of their acquisition date or amount. The Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e. estimating the current replace cost of the infrastructure to be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year).

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and equipment	8-50 years
Infrastructure	20-50 years

**N) Deferred Outflows of Resources:**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has one item that qualifies for reporting in this category. The first is a deferred charge on refunding in the Government-Wide Financial Statements which represents the unamortized portion of the deferred charge on refunding. These costs are being amortized over the term of the respective bond issue.

**O) Deferred Inflow of Resources:**

In addition to liabilities, the Statement of Net Position and governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has one item that qualifies for reporting in this category. The item includes taxes received in advance in the general fund and Government-Wide Financial Statements.

**P) Collections in Advance:**

Collections in advance arise when the Village receives resources before it has legal claim to them, such as for the general fund, monies received in advance were primarily for service assistance payments for the next fiscal year, for the proprietary funds, monies are received before services are delivered. In subsequent periods, when the recognition criteria are met, or when the Village has legal claim to the resources, the liability for collections in advance is removed and revenues are recorded.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Q) Vested Employee Benefits:**

**i) Compensated absences:**

Compensated absences consist of unpaid accumulated annual sick leave, vacation and terminal leave:

Sick leave eligibility and accumulation is specified in negotiated labor contracts. Upon retirement or death, police officers may contractually receive a payment for a portion of their unused accumulated sick leave.

The Village employees are granted vacation in varying amounts, based primarily on length of service and contracts. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, the liability has been calculated using the vesting method and an accrual for that liability is included in the Government-Wide and the Proprietary Financial Statements. The compensated absences liability is calculated based on the pay rates as mandated in employee contracts in effect at year end.

**R) Other Benefits:**

Village employees participate in the New York State Employees' Retirement System and the New York State and Local Police and Fire Retirement System. In addition to providing pension benefits, the Village provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors in accordance with the provision of various employment contracts in effect at the time of retirement. Pursuant to contractual provisions Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

**S) Short-Term Debt:**

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

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**T) Accrued Liabilities and Long-Term Obligations:**

Payables, accrued liabilities and long-term obligations are reported in the Government-Wide Financial Statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, and compensated absences that will be paid from governmental funds, are reported as a liability in the Funds Financial Statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the Fund Financial Statements when due. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are recognized as an expenditure/outflow of resources when incurred.

In the fund statements, only that portion of long-term obligations expected to be financed from expendable available financial resources is reported as a fund liability. 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 actual debt proceeds received, are reported as debt service expenditures.

Premiums related to the issuance of long-debt are amortized on a straight-line basis over the life of the issue and are presented as part of the general obligation bonds payable in the non-current liabilities.

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

**U) Equity Classifications:**

**i) Government-Wide Financial Statements:**

In the Government-Wide Financial Statements there are three classes of net position:

Net investment in capital assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets including any deferred outflows or inflows of resources related to the outstanding debt, and excluding any unspent debt proceeds.

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

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

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**ii) Fund Financial Statements:**

In the Fund Financial Statements, there are three classifications of fund balance presented:

- (1) **Restricted fund balance** – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Village has classified the following as restricted:

<u>Restricted for:</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Employee benefit accrued liability	\$ 1,797,172			\$ 1,797,172
Capital projects		\$ 480,610		480,610
Unspent proceeds		9,670,010		9,709,559
Section 8 housing			\$ 131,104	131,104
Special purpose-culture and recreation and public safety			191,189	191,189
Debt service			280,812	280,812
Total	<u>\$ 1,797,172</u>	<u>\$ 10,150,620</u>	<u>\$ 603,105</u>	<u>\$ 12,590,446</u>

The restricted fund balance in the special purpose fund (special purpose) may only be used for recreational and police programs.

- (2) **Assigned fund balance** – As per the Villages fund balance policy, this includes amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the Village management through Board policies. The purchasing agent, comptroller and the Board of Trustees have the responsibility to assign fund balance per their fund balance policy. This classification also includes the remaining positive fund balance for all governmental funds except for the general fund. The Village has classified the following as assigned:

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

<u>Assigned for:</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
Tax certiorari	\$ 1,399,956			\$ 1,399,956
General support	50,627			50,627
Public safety	170,467			170,467
Transportation	419			419
Culture & recreation	51,041			51,041
Outside legal	40,884			40,884
Community development			\$ 1,264	1,264
Capital projects		\$ 1,028,398		1,028,398
Total	<u>\$ 1,713,394</u>	<u>\$ 1,028,398</u>	<u>\$ 1,264</u>	<u>\$ 2,743,056</u>

**Encumbrances**

Encumbrances have been assigned based upon the Village's intent to be used for a specific purpose such as general support, instruction and capital projects. See Note 3 for further detail regarding accountability and Note 18 for further detail regarding significant encumbrances.

The Village has adopted a fund balance policy which authorizes the Board or their designated official to assign amounts for a specific purpose. Additionally, the Board of Trustees shall delegate the authority to assign fund balance, for encumbrance purposes, to the purchasing agent who has the delegated authority to sign purchase orders.

- (3) **Unassigned fund balance** –Includes the residual fund balance for the general fund and includes residual fund balance deficits of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. Assignments of fund balance cannot cause a negative unassigned fund balance. Unassigned fund balance includes \$3,041,776 in the general fund.

**Order of Use of Fund Balance**

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (e.g., expenditures related to reserves), the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from unrestricted fund balance. Expenditures incurred in unrestricted fund balances shall be applied first to the assigned fund balance to the extent there is an assignment and then to the unassigned balance.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**V) Future Changes in Accounting Standards:**

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

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

GASB has issued Statements No. 72, *Fair Value Measurement and Application*, No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and No. 77, *Tax Abatement Disclosures*, effective for the year ending May 31, 2017.

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

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending May 31, 2019.

**NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS:**

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

**A) Total fund balances of governmental funds vs. net position of governmental activities:**

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

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (CONTINUED):**

**B) Statement of Revenues, Expenditures and Changes in Fund Balances vs. Statement of Activities:**

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

**i) Long-term revenue differences:**

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

**ii) Capital related differences:**

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

**iii) Long-term debt transaction differences:**

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

**iv) Employee benefit allocations:**

Expenditures for employee benefits are not allocated to a specific function on the Statement of Revenues, Expenditures, and Changes in Fund Balances based on the requirements of New York State. These costs have been allocated based on total salary for each function in the Statement of Activities.

**NOTE 3 – 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.

- i) On or before March 20<sup>th</sup>, the budget officer submits to the Village Clerk a tentative operating budget for the fiscal year commencing the following June 1<sup>st</sup>. The tentative budget includes the proposed expenditures and means of financing.
- ii) The Village Clerk then submits the tentative budget to the Village Board of Trustees, on or before March 31<sup>st</sup>.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED):**

- iii) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15<sup>th</sup>.
- iv) After the public hearing and on or before May 1<sup>st</sup>, the Trustees meet to consider and adopt the budget.
- v) Formal budgetary integration is employed during the year as a management control device for the general and debt service funds.
- vi) Budgets for the general and debt service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The capital projects fund is budgeted on a project basis. Annual budgets are not adopted for the Community Development, Section 8 Housing, Special Purpose or Proprietary funds.
- vii) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- viii) Appropriations in the general and debt service funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated 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. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

**B) Property Tax Limitation:**

The Village is authorized by the State Constitution to levy taxes the lower of 2% or the rate of inflation, of the five year average full valuation of taxable real estate located within the Village and any amounts appropriated for debt service. In accordance with this definition, the maximum amount of the levy for 2014-2015 was \$86,294,644 which exceeded the actual levy by \$62,582,759.

**C) Encumbrances:**

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year-end are presented as reservations of fund balance and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 4 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS:**

**A) Cash**

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

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. While the Village does not have a specific policy for custodial credit risk, New York State statutes govern the Village's investment policies, as discussed previously in these Notes.

None of the Village's aggregate bank balances, not covered by depository insurance, were exposed to custodial credit risk as described above at year end.

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of May 31, 2015 includes \$12,764,926 in the governmental funds.

**B) Investments**

Investments in the Pension Trust Fund are stated at fair market value. These investments are not subject to risk categorization. See note 14 for additional information.

**NOTE 5 – RECEIVABLES:**

Receivable balances have been disaggregated by type and presented separately in the financial statements. Receivables with allowances for uncollectible accounts as of May 31, 2015 are presented below.

	<u>General Fund</u>		<u>Electric Fund</u>	<u>Water Fund</u>	<u>Section 8</u>
	<u>Taxes</u>	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>	<u>Accounts</u>
	<u>Receivable</u>	<u>Receivable</u>	<u>Receivable</u>	<u>Receivable</u>	<u>Receivable</u>
Gross receivables	\$ 59,056	\$ 156,201	\$ 3,508,422	\$ 1,847,030	\$ 31,691
Less: allowance for uncollectibles	(21,192)	(151,040)	(182,317)	(2,523)	(12,545)
Net receivables	<u>\$ 37,864</u>	<u>\$ 5,161</u>	<u>\$ 3,326,105</u>	<u>\$ 1,844,507</u>	<u>\$ 19,146</u>

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 6 – STATE AND FEDERAL AID RECEIVABLES:**

State and federal aid receivables at May 31, 2015 consisted of the following:

General Fund	
Due from FEMA & SAFR	\$ 104,935
Capital Fund	
Due from NYS	<u>989,804</u>
Total - Governmental funds	<u>\$ 1,094,739</u>

Village management has deemed these amounts to be fully collectible.

**NOTE 7 – DUE FROM OTHER GOVERNMENTS**

Due from other governments at May 31, 2015 consisted of the following:

General Fund	
Due from Nassau County - mortgage tax	\$ 67,157
Community Development Fund	
Due from Nassau County - grant	26,579
Capital Fund	
Due from Nassau County - grant	<u>334,268</u>
Total	<u>\$ 428,004</u>

Village management has deemed these amounts to be fully collectible.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 8 – CAPITAL ASSETS:**

The breakdown by major asset groups at May 31, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated				
Land	\$ 4,576,378			\$ 4,576,378
Construction-in-progress	4,344,646	\$ 8,383,778	(1,547,755)	11,180,669
Total capital assets, not being depreciated	<u>8,921,024</u>	<u>8,383,778</u>	<u>(1,547,755)</u>	<u>15,757,047</u>
Capital assets, being depreciated				
Building and equipment	30,552,036	623,672	1,239,855	32,415,563
Infrastructure	27,177,148			27,177,148
Total capital assets, being depreciated	<u>57,729,184</u>	<u>623,672</u>	<u>1,239,855</u>	<u>59,592,711</u>
Less accumulated depreciation for				
Buildings and equipment	12,780,357	964,679	(208,883)	13,536,153
Infrastructure	17,492,838	1,405,435		18,898,273
Total accumulated depreciation	<u>30,273,195</u>	<u>2,370,114</u>	<u>(208,883)</u>	<u>32,434,426</u>
Total capital assets being depreciated, net	<u>26,782,357</u>	<u>(1,746,442)</u>	<u>1,448,738</u>	<u>27,158,285</u>
Governmental activities capital assets, net	<u>\$ 36,377,013</u>	<u>\$ 6,637,336</u>	<u>\$ (99,017)</u>	<u>\$ 42,915,332</u>
<b>Business-Type Activities:</b>				
Capital assets, not being depreciated				
Land	\$ 375,885			\$ 375,885
Construction-in-progress	5,719,013	\$ 7,503,179	\$ (4,127,656)	9,094,536
Total capital assets, not being depreciated	<u>6,094,898</u>	<u>7,503,179</u>	<u>(4,127,656)</u>	<u>9,470,421</u>
Capital assets, being depreciated				
Building and equipment	88,782,942	-	3,483,910	92,266,852
Total capital assets, being depreciated	<u>88,782,942</u>	<u>-</u>	<u>3,483,910</u>	<u>92,266,852</u>
Less accumulated depreciation for				
Buildings and equipment	40,924,518	2,194,938	(433,534)	42,685,922
Total accumulated depreciation	<u>40,924,518</u>	<u>2,194,938</u>	<u>(433,534)</u>	<u>42,685,922</u>
Total capital assets being depreciated, net	<u>49,517,031</u>	<u>(2,194,938)</u>	<u>3,917,444</u>	<u>49,580,930</u>
Business-type activities capital assets, net	<u>\$ 53,953,322</u>	<u>\$ 5,308,241</u>	<u>\$ (210,212)</u>	<u>\$ 59,051,351</u>

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 8 – CAPITAL ASSETS (CONTINUED):**

Depreciation expense was charged to governmental functions as follows:

General support	\$ 95,386
Public safety	374,300
Transportation	1,539,729
Culture & recreation	238,801
Home & community services	121,898
Total	<u>\$ 2,370,114</u>

**NOTE 9 – DEFERRED OUTFLOWS OF RESOURCES:**

The deferred charge on refunding, as recorded in the Government-Wide Financial Statements as a deferred outflow of resources, as of May 31, 2015 consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Loss on defeasance	<u>\$ 364,557</u>	<u>\$ 281,711</u>
Total deferred charge on refunding	<u>\$ 364,557</u>	<u>\$ 281,711</u>

The loss on defeasance pertaining to the 2012 refunding as recorded in the Government-Wide Financial Statements is being amortized using the straight-line method over 8 years, the time to maturity of the defeased bonds, at the time of refunding.

**NOTE 10 - SHORT-TERM DEBT:**

Transactions in short-term debt for the year are summarized below:

	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Bond anticipation notes	1.79%	\$ 102,000	\$ -	\$ 102,000	\$ -
Total short-term debt activity		<u>\$ 102,000</u>	<u>\$ -</u>	<u>\$ 102,000</u>	<u>\$ -</u>

The Village issued the Bond Anticipation Notes ("BANs") for interim financing of capital project fund expenditures and proprietary fund capital expenditures related to the Village's capital projects.

Interest on short-term debt for the year was \$1,811.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 11 – LONG-TERM LIABILITIES:**

Long-term liability balances and activity for the year are summarized below:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Primary Government</b>					
<b>Governmental activities:</b>					
General obligation debt:					
Bonds payable	\$ 24,260,000	\$ 8,760,000	\$ 2,895,000	\$ 30,125,000	\$ 3,360,000
Premium	774,254	90,866	93,545	771,575	97,951
Total bonds payable	<u>25,034,254</u>	<u>8,850,866</u>	<u>2,988,545</u>	<u>30,896,575</u>	<u>3,457,951</u>
Other liabilities:					
Compensated absences	15,109,637	501,950	73,126	15,538,461	388,462
Claims payable	3,686,108	1,060,347	1,115,914	3,630,541	1,631,375
Net other post employment benefits obligations	<u>22,183,434</u>	<u>5,589,357</u>	<u>1,719,820</u>	<u>26,052,971</u>	
Total other liabilities	<u>40,979,179</u>	<u>7,151,654</u>	<u>2,908,860</u>	<u>45,221,973</u>	<u>2,019,837</u>
<b>Total Governmental activities</b>	<u>66,013,433</u>	<u>16,002,520</u>	<u>5,897,405</u>	<u>76,118,548</u>	<u>5,477,788</u>
<b>Business-Type Activities</b>					
General obligation debt:					
Bonds payable	19,465,000	5,700,000	2,200,000	22,965,000	2,635,000
Premium	663,420	59,259	57,593	665,086	62,114
Total bonds payable	<u>20,128,420</u>	<u>5,759,259</u>	<u>2,257,593</u>	<u>23,630,086</u>	<u>2,697,114</u>
Other liabilities:					
Compensated absences	3,146,012	27,560	192,420	2,981,152	74,529
Net other post employment benefit obligations	<u>3,497,633</u>	<u>841,112</u>	<u>298,192</u>	<u>4,040,553</u>	
Total other liabilities	<u>6,643,645</u>	<u>868,672</u>	<u>490,612</u>	<u>7,021,705</u>	<u>74,529</u>
<b>Total Business-Type activities</b>	<u>26,772,065</u>	<u>6,627,931</u>	<u>2,748,205</u>	<u>30,651,791</u>	<u>2,771,643</u>
<b>Total Primary Government</b>	<u>\$ 92,785,498</u>	<u>\$ 22,630,451</u>	<u>\$ 8,645,610</u>	<u>\$ 106,770,339</u>	<u>\$ 8,249,431</u>

Governmental fund liabilities for bonds are liquidated by the debt service fund, which is funded primarily by the general fund. The general fund has typically been used to liquidate long-term liabilities for the governmental activities for claims, compensated absences and net other post employment benefit obligations. The water and electric funds are typically been used to liquidate long-term liabilities for business-type activities for bonds payable, compensated absences, and net other post employment benefit obligations based upon their respective obligations.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 11 – LONG-TERM LIABILITIES (CONTINUED):**

**General Obligation Bonds**

General obligation bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the Village. General obligation bonds require the Village to compute, at the time other taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The Village is in compliance with this requirement.

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the Village to rebate excess arbitrage earnings from bond proceeds to the federal government. There were no excess arbitrage earnings for the year ended May 31, 2015.

Existing serial and statutory bond obligations at May 31, 2015 were comprised of the following for governmental activities, exclusive of premiums:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Outstanding at Year End
Public Improvements	2005	\$ 2,170,000	June 2025	3.50-4.00%	\$ -
Public Improvements	2006	3,240,000	June 2021	4.00-4.05%	210,000
Public Improvements	2007	4,720,000	September 2027	3.75-4.00%	650,000
Public Improvements	2008	825,000	October 2023	4.25-4.50%	405,000
Public Improvements	2009	2,256,000	July 2015	2.00-4.00%	185,000
Public Improvements	2009	4,295,000	December 2024	2.00-3.75%	2,400,000
Public Improvements	2010	3,715,000	February 2026	2.00-3.875%	2,450,000
Refunding Bonds	2012	100,000	October 2016	2.00-3.00%	50,000
Refunding Bonds	2012	650,000	June 2019	2.00-3.00%	460,000
Refunding Bonds	2012	360,000	June 2017	2.00-3.00%	210,000
Refunding Bonds	2012	495,000	June 2018	2.00-3.00%	355,000
Refunding Bonds	2012	885,000	June 2019	2.00-3.00%	705,000
Refunding Bonds	2012	855,000	June 2020	2.00-3.00%	855,000
Refunding Bonds	2012	1,205,000	June 2021	2.00-3.00%	1,205,000
Refunding Bonds	2012	1,780,000	June 2022	2.00-4.00%	1,780,000
Public Improvements	2012	2,480,000	August 2027	1.50-3.00%	2,090,000
Serial Bond (Retirement System Contribution)	2013 B	220,000	October 2018	3.00%	180,000
Public Improvements	2013	7,715,000	October 2028	2.00-3.00%	7,175,000
Public Improvements	2015	8,760,000	February 2030	2.00-3.00%	8,760,000
		<u>\$ 46,726,000</u>			<u>\$ 30,125,000</u>

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 11 – LONG-TERM LIABILITIES (CONTINUED):**

Existing serial and statutory bond obligations at May 31, 2015 were comprised of the following for business-type activities, exclusive of premiums:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Outstanding at Year End
<b>Water Fund</b>					
General Improvements	1993	\$ 2,700,000	September 2018	4.85-5.00%	\$ 400,000
General Improvements	2005	1,200,000	June 2014	3.50-4.00%	-
General Improvements	2006	1,600,000	June 2015	4.00-4.05%	125,000
General Improvements	2008	2,000,000	October 2023	4.25-4.50%	1,170,000
General Improvements	2009	849,000	July 2015	2.00-4.00%	100,000
General Improvements	2009	1,200,000	December 2024	2.00-3.75%	800,000
General Improvements	2011	2,000,000	February 2026	2.00-3.875%	1,500,000
General Improvements	2012	4,500,000	August 2027	1.50-3.00%	3,895,000
Refunding Bonds	2012	1,370,000	June 2021	2.00-4.00%	1,230,000
General Improvements	2013	400,000	October 2028	2.00-3.00%	380,000
Public Improvements	2015	2,700,000	February 2030	2.00-3.00%	2,700,000
<b>Electric Fund</b>					
General Improvements	1992	10,900,000	August 2017	5.90-6.00 %	1,275,000
General Improvements	2005	500,000	June 2014	3.50-4.00%	-
General Improvements	2006	250,000	June 2015	4.00-4.05%	15,000
General Improvements	2007	2,000,000	June 2016	3.75-4.00%	200,000
General Improvements	2009	1,000,000	December 2024	2.00-3.75%	675,000
General Improvements	2011	1,400,000	February 2026	2.00-3.875%	1,100,000
General Improvements	2012	1,250,000	August 2027	1.50-3.00%	1,090,000
Refunding Bonds	2012	3,505,000	June 2027	2.00-4.00%	3,310,000
Public Improvements	2015	3,000,000	February 2030	2.00-3.00%	3,000,000
		<u>\$ 44,324,000</u>			<u>\$ 22,965,000</u>

On February 25, 2015, the Village issued \$14,460,000 in serial bonds, of which \$8,760,000 was recorded in the capital projects fund, for general public improvements, \$3,000,000 was recorded in the electric fund for general improvements and \$2,700,000 was recorded in the water fund for general improvements. The bond is payable over 15 years with an interest rate ranging from 2.0% to 3.0%. The premium on the 2015 bond of \$90,866 is being amortized using the straight-line method over 15 years, the time to maturity of the 2015 serial bond.

The premium on bond refunding pertaining to the 2012 refunding and the 2012 serial bond, as recorded in the Government-Wide Financial Statements, are being amortized using the straight-line method over 11 years and 15 years, respectively, the time to maturity of the 2012 refunded bond and the 2012 serial bond.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 11 – LONG-TERM LIABILITIES (CONTINUED):**

The following is a summary of debt service requirements for bonds payable:

Fiscal Year Ending May 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 3,360,000	\$ 789,743	\$ 2,635,000	\$ 678,286	\$ 5,995,000	\$ 1,468,029
2017	3,095,000	711,256	2,320,000	603,557	5,415,000	1,314,813
2018	3,035,000	629,006	2,325,000	524,594	5,360,000	1,153,600
2019	2,925,000	544,100	1,920,000	454,032	4,845,000	998,132
2020	2,730,000	462,850	1,825,000	397,182	4,555,000	860,032
2021-2025	9,565,000	1,399,263	8,440,000	1,202,017	18,005,000	2,601,280
2026-2027	5,415,000	378,888	3,500,000	244,656	8,915,000	623,544
	<u>\$ 30,125,000</u>	<u>\$ 4,915,106</u>	<u>\$ 22,965,000</u>	<u>\$ 4,104,324</u>	<u>\$ 53,090,000</u>	<u>\$ 9,019,430</u>

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

	Governmental Activities	Business-Type Activities	Primary Government
Interest paid	\$ 767,208	\$ 634,748	\$ 1,401,956
Less interest accrued in the prior year	(320,256)	(245,322)	(565,578)
Plus interest accrued in the current year	258,564	251,817	510,381
Plus amortization of deferred charge	72,911	36,835	109,746
Less amortization of premium	(93,545)	(57,593)	(151,138)
Total expense	<u>\$ 684,882</u>	<u>\$ 620,485</u>	<u>\$ 1,305,367</u>

**NOTE 12 – DEFERRED INFLOWS OF RESOURCES:**

In the Government-Wide Financial Statements, deferred inflow of resources, as of May 31, 2015 consisted of the following:

	Governmental Activities
Taxes received in advance	<u>\$ 122,788</u>

The taxes received in advance will be reported as revenue in the subsequent year.



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 13 – PENSION PLANS:**

**A) General Information:**

The Village participates in the New York State and Local Employees' Retirement System (ERS) (the "System") and the Local Police and Fire Retirement System (PFRS) (the "System"). These are cost-sharing multiple employer public employee retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System.

**B) Provisions and Administration:**

The Systems provide retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute, and benefits to employees. The Systems issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained by writing to NYSERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244.

**C) Funding Policy:**

The Systems are noncontributory for the employees who joined prior to July 27, 1976. Those who joined the Systems after July 27, 1976 and prior to January 1, 2010 are required to contribute 3% of their salary, except that employees in the Systems more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and before April 1, 2012, employees in ERS contribute 3% of their salary throughout their active membership. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent on their salary, for their entire working career. Under the authority of the NYSRSSL, the Comptroller certifies the rates expressed as proportions of members' payroll annually which are used in computing the contributions required to be made by employers to the pension accumulated fund.

The Village is required to contribute at an actuarially determined rate. The Village contributions made to the Systems were equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were as follows:

	<u>ERS</u>	<u>PFRS</u>
2015	\$ 2,489,116	\$ 2,886,280
2014	\$ 2,795,580	\$ 2,321,824
2013	\$ 2,134,925	\$ 1,898,421

The PFRS contribution was charged to the general fund.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 13 – PENSION PLANS (CONTINUED):**

The current ERS contribution was charged as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 1,627,810
Community Development	4,974
Section 8 Housing	23,535
Water	134,506
Electric	698,291
	<u>\$ 2,489,116</u>

As detailed above, the general fund, water fund, and electric fund have typically been used to liquidate the net pension obligation.

**D) Deferred Compensation Plan:**

The Village has established a deferred compensation plan in accordance with Internal Revenue Code Section 457 for all employees. The Village makes no contributions into this plan. The amount deferred by eligible employees for the year ended May 31, 2015 totaled \$997,184.

**NOTE 14 – PENSION TRUST – FIRE SERVICE AWARDS PROGRAM:**

The Village established a defined contribution length of service award program (the “LOSAP”) for the active volunteer firefighters of the Village of Rockville Centre Volunteer Fire Department. The program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Village is the sponsor of the program.

**A) Program Description**

**i) Participation, vesting and service credit**

Active volunteer firefighters who have reached the age of 18 and who have completed 1 year of firefighting service, and upon earning 50 or more points in a calendar year after 1993 are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with 5 years of firefighting service. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive up to 5 years of credit for firefighting performed prior to 1994.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 14 – PENSION TRUST – FIRE SERVICE AWARDS PROGRAM (CONTINUED):**

**ii) Benefits**

A participant's benefit under the program is the amount resulting from the contributions made by the sponsor on behalf of the participant, plus interest and/or other earnings resulting from the investment of the contributions, less necessary administrative costs, forfeitures and losses resulting from the investment of contributions. Contributions in the amount of \$700 are made on behalf of each participant who is credited with a year of firefighting service. Except in the case of permanent total disability or death, benefits are payable when a participant reaches entitlement age. Participants remain eligible to accumulate points after entitlement age has been reached. The participants age 65 and over receive payment directly from the Village for their service.

**B) Fiduciary Investment and Control**

Service credit is determined by the Board of Trustees of the sponsor, based on information certified to the Board of Trustees by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the Board of Trustees. The Board of Trustees of the sponsor performs the administration of the program. Disbursements for the payment of benefits or administrative expenses must be approved by the Board of Trustees.

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

Authority to invest program assets is vested in Mutual of America. Subject to restrictions in the program document, program assets are invested in accordance with a statutory "prudent person" rule. Each program participant discusses future investments on their behalf with Mutual of America on an individual basis.

**C) Program Financial Condition**

**i) Assets and Liabilities**

**Assets Available for Benefits**

	<u>% of total</u>	
Mutual Funds	100.00%	\$ 3,665,566
Less: Liabilities		<u>-</u>
Total Net Assets Available for Benefits		<u>\$ 3,665,566</u>
Unfunded Liability for Prior Service		<u>\$ -</u>

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 14 – PENSION TRUST – FIRE SERVICE AWARDS PROGRAM (CONTINUED):**

**ii) Receipts and Disbursements**

Plan net assets, beginning of year	\$ 3,192,832
Changes during the year:	
Additions	
Plan contributions	235,900
Interest and net change in fair value of investments	286,075
Subtractions	
Plan benefit withdrawals	<u>(49,241)</u>
Plan net assets, end of year	<u>\$ 3,665,566</u>

**iii) Contributions**

Plan contributions for active volunteer firefighters above included \$110,600 in benefits earned for the prior year, by participants under 65 years of age. The accrued liability recorded in the general fund at May 31, 2014 also included the amount due to the age 65 and older of \$19,600 for a total accrual of \$130,200.

**NOTE 15 – INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS, PROPRIETARY FUND AND FIDUCIARY FUND:**

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General fund	\$ 223,645	\$ 29,095		\$ 3,734,430
Capital projects fund		11,093	\$ 102,000	4,302
Non-major governmental	12,788	61,195	3,636,732	
Total government activities	236,433	101,383	3,738,732	3,738,732
Water fund	16,728	24,663		
Electric fund	24,542	27,187		
Internal service fund				
Fiduciary agency fund		124,470		
Totals	<u>\$ 277,703</u>	<u>\$ 277,703</u>	<u>\$ 3,738,732</u>	<u>\$ 3,738,732</u>

The Village typically transfers monies from the general fund to the debt service fund, to finance principal and interest payments as they become due. The Village typically transfers monies from the general fund to the capital projects fund to finance capital projects. Unexpended funds from the capital projects fund are transferred to the debt service fund as bonded projects are completed.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 15 – INTERFUND TRANSACTIONS – GOVERNMENTAL FUNDS, PROPRIETARY FUND  
AND FIDUCIARY FUND (CONTINUED):**

The Village typically loans resources to the other funds for the purpose of mitigating the effects of transient cash flow issues.

All interfund payables are expected to be repaid within one year.

**NOTE 16 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS:**

**A) Plan Description**

The Village provides post employment (health insurance, life insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Village's contractual agreements. New York State Health Insurance Program Empire Plan, (the "Plan") is a single-employer defined benefit healthcare plan administered by New York State. The Plan provides medical insurance benefits to eligible retirees and their spouses. Article 37 of the Statutes of New York State assigns the authority to establish and amend benefit provisions to the Village. The Plan does not issue a stand alone, publicly available report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

**B) Funding Policy**

The contribution requirements of Plan members and the Village are established and may be amended by the Village. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2015, the Village contributed \$2,018,012 for current premiums and an additional \$0 to prefund benefits. Plan members contribute 0% to 65% as per respective collective bargaining agreements.

**C) Annual OPEB Cost and Net OPEB Obligation**

The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Village's net OPEB obligation to the Plan:

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 16 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS (CONTINUED):**

<b>Annual OPEB Cost and Net OPEB Obligation</b>	
Annual required contribution	\$ 6,831,246
Interest on net OPEB obligation	1,027,242
Adjustment to annual required contribution	<u>(1,428,019)</u>
Annual OPEB cost (expense)	6,430,469
Contributions made	<u>(2,018,012)</u>
Increase in net OPEB obligation	4,412,457
Net OPEB obligation-beginning of year	<u>25,681,067</u>
Net OPEB obligation-end of year	<u><u>\$ 30,093,524</u></u>
Annual OPEB cost	\$ 6,430,469
Percentage of annual OPEB cost contributed	21%
Net OPEB obligation-end of year	\$ 30,093,524

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for 2015 and the two preceding years were as follows:

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution</u>	<u>Annual OPEB Cost</u>	<u>OPEB Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
May 31, 2013	\$ 6,933,346	\$ 6,689,221	\$ 1,847,904	28%	\$ 20,484,469
May 31, 2014	\$ 7,409,583	\$ 7,089,905	\$ 1,893,307	27%	\$ 25,681,067
May 31, 2015	\$ 6,831,246	\$ 6,430,469	\$ 2,018,012	31%	\$ 30,093,524

**D) Funded Status and Funding Progress**

As of June 1, 2014, the most recent actuarial valuation date, the Plan was 0% funded. The actuarial accrued liability for benefits was \$71,111,830 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$71,111,830. The covered payroll (annual payroll of active employees covered by the plan) was \$24,185,039, and the ratio of the UAAL to the covered payroll was 294%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements provides multiyear trend information that shows whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 16 – POST-EMPLOYMENT (HEALTH INSURANCE) BENEFITS (CONTINUED):**

**E) Actuarial Methods and Assumptions**

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

In the June 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.0% discount rate and an annual healthcare cost trend rate of 9.5% initially, reduced by decrements to an ultimate rate of 5% after 12 years. This rate includes a 5% inflation assumption. The UAAL is being amortized using the level dollar amortization method on an open basis. The remaining amortization at May 31, 2015, was 30 years.

**NOTE 17 – RISK MANAGEMENT:**

**A) General:**

The Village is self-insured for general, auto and police professional liability. The Village has retained a \$300,000 liability per occurrence except for auto which is retained at \$250,000 and in order to reduce its exposure to catastrophic losses on insured events, has purchased “stop loss” insurance. Certain governmental funds and the enterprise fund are charged a premium by the Internal Service Fund.

The Village is self-insured for workers’ compensation benefits. The workers’ compensation claims are covered up to statutory limits. There is a \$500,000 self-insured retention per claim and \$750,000 for police and fire. Insurance coverage has been secured for losses in excess of the retention. Certain governmental funds and the Enterprise Fund are charged premiums by the Internal Service Fund.

The Village is self-insured for claims arising from unemployment cases and liabilities are not material.

The Village is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters, and other risks in excess of self-insured amounts. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage from the prior year. Settled claims from these risks have exceeded commercial insurance coverage in the past three years. During the prior three years, the Village settled cases totaling \$95,000, \$25,500, \$18,500 and \$175,000 and another case for \$32,500.

**B) Claims:**

The Internal Service Fund reflects workers’ compensation benefit liabilities, general liability claims and unemployment benefit liabilities which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled. Liabilities include an amount for reported claims which were incurred on or before year-end but not paid. Liabilities do include an amount for claims which were incurred on or before year-end but not reported (IBNR). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 17 – RISK MANAGEMENT (CONTINUED):**

in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. An analysis of the activity of unpaid claim liabilities is as follows:

	<u>2015</u>	<u>2014</u>
Unpaid claims at beginning of year (restated)	\$ 3,686,108	\$ 2,994,853
Incurred claims and claim adjustment expenses	1,060,347	2,442,513
Claims payments	<u>(1,115,914)</u>	<u>(1,751,258)</u>
Unpaid claims at year end	<u>\$ 3,630,541</u>	<u>\$ 3,686,108</u>

**NOTE 18 – COMMITMENTS AND CONTINGENCIES:**

**A) Grants:**

The Village has received grants which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior audits, the Village's administration believes disallowances, if any, will be immaterial.

**B) Litigation:**

The Village is involved in lawsuits arising from the normal conduct of its affairs. Some of these lawsuits seek damages which may be in excess of the Village's insurance coverage. To the extent the outcome of such litigation has been determined to result in probable loss to the Village such loss has been accrued in the accompanying financial statements. Litigation where loss to the Village is reasonably possible has not been accrued; however, Village management and counsel estimate such loss to total \$350,000.

The Village is also a defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year payments are made.

**C) Encumbrances:**

Significant encumbrances included in governmental fund balances have been classified as restricted or assigned fund balance and are as follows:

- i) **General Fund** - Total encumbrances of the general fund as of May 31, 2015 were \$313,438. Significant encumbrances of \$53,404 were assigned for vehicle purchases.
- ii) **Capital Projects Fund** – Total encumbrances of the capital projects fund as of May 31, 2015 were \$7,882,386. Significant encumbrances of \$488,614 were assigned to engineering services for public works projects; \$4,690,252 was restricted to various roadwork projects; \$2,508,106 was assigned for the purchase of trucks and snow removal equipment; \$195,414 was assigned and/or restricted to other miscellaneous projects.



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

**NOTE 18 – COMMITMENTS AND CONTINGENCIES (CONTINUED):**

**D) Leases:**

**Operating Leases**

The Village leases various equipment and vehicles under non-cancelable leases. Rental expense for the fiscal year was \$103,475. The minimum remaining lease payments are as follows:

Fiscal Year Ending June 30,	Amount
2016	\$ 81,536
2017	67,423
2018	<u>59,024</u>
	<u>\$ 207,983</u>

**NOTE 19 – SUBSEQUENT EVENTS:**

The Village has evaluated subsequent events through October 30, 2015, which is the date the financial statements were available to be issued. No significant events were identified that would require adjustment of or disclosure in the financial statements.

**Required  
Supplementary  
Information**

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year</u>	<u>(Over) Under Final Budget</u>
<b>REVENUES</b>				
Real property taxes	\$ 27,380,140	\$ 27,380,140	\$ 27,312,754	\$ 67,386
Other tax items	850,449	890,449	906,877	(16,428)
Departmental income	4,634,000	4,819,000	4,675,783	143,217
Use of money & property	113,000	113,000	92,705	20,295
Licenses & permits	1,392,000	1,747,000	1,736,837	10,163
Fines & forfeitures	1,450,000	1,450,000	1,308,490	141,510
Sale of property & compensation for loss	91,000	108,000	104,280	3,720
Intergovernmental charges	4,820,765	4,851,765	4,829,783	21,982
State aid	922,209	1,033,209	933,182	100,027
Federal aid	100,000	911,100	828,494	82,606
Miscellaneous	917,255	919,955	913,448	6,507
<b>TOTAL REVENUES</b>	<b>42,670,818</b>	<b>44,223,618</b>	<b>\$ 43,642,633</b>	<b>\$ 580,985</b>
Appropriated reserves	<u>-</u>	<u>327,117</u>		
<b>TOTAL REVENUES &amp; APPROPRIATED FUND BALANCE</b>	<b><u>\$ 42,670,818</u></b>	<b><u>\$ 44,550,735</u></b>		

**Note to Required Supplementary Information**

**Budget Basis of Accounting**

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

See Paragraph on Required Supplementary Information Included in Independent Auditor's Report

(Continued)

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**BUDGET AND ACTUAL- GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Year-End Encumbrances	Final Budget Variance with Budgetary Actual and Encumbrances
<b>EXPENDITURES</b>					
<b><u>GENERAL GOVERNMENT SUPPORT</u></b>					
Board trustees	\$ 108,386	\$ 108,386	\$ 105,348		\$ 3,238
Village justice	246,108	246,108	230,211		15,897
Mayor	24,125	24,126	24,126		-
Comptroller	910,802	862,702	853,537	\$ 720	8,445
Clerk treasurer	1,359,651	1,960,832	1,182,738	23,740	754,354
Professional services	615,000	651,626	630,438	25,162	6
Purchasing	147,711	71,557	71,557		-
Personnel	17,957	17,957	16,417		1,540
Elections	500	500	370		130
Central garage	766,985	806,421	717,863		88,556
Data processing	404,646	429,856	406,296	1,005	22,555
Special items					
Municipal associations dues	10,000	10,000	6,980		1,020
Judgments and claims	1,500,000	1,500,000	1,267,731		232,269
Metropolitan commuter transportation mobility tax	69,000	69,000	63,696		5,304
Insurance contribution	500,000	500,000	500,000		-
<b><u>PUBLIC SAFETY</u></b>					
Police civilian	1,027,579	997,579	997,274		305
Police	9,585,995	10,282,632	9,665,323	104,852	512,457
Street parking	108,000	196,033	196,033		-
Fire department	758,850	869,815	784,491	34,493	50,831
Fire prevention	16,565	16,565	2,273		14,292
Fire safety	-	131,277	83,445	28,191	19,641
Safety inspection	659,659	687,906	683,323	406	4,167
Auxiliary police	20,900	32,546	23,594	2,525	6,427
<b><u>HEALTH</u></b>					
Registers of Vital Statistics	54,669	54,669	53,176		1,493
<b><u>TRANSPORTATION</u></b>					
Street administration	759,215	771,997	739,288	419	32,290
Street maintenance	885,256	1,046,672	1,046,672		-
Snow removal	256,300	378,627	378,610		17
Street lighting	550,000	550,000	542,197		7,803
Sidewalks	51,000	51,000	1,364		49,636
<b><u>ECONOMIC OPPORTUNITY AND DEVELOPMENT</u></b>					
Publicity	100,000	100,000	92,532		7,468
<b><u>CULTURE &amp; RECREATION</u></b>					
Parks	598,948	665,388	647,642	4,547	12,799
Play & Recreation	1,644,340	1,754,840	1,651,215	45,341	58,284
MILK Center	277,947	296,947	287,041	161	9,745
Senior Center	547,571	559,070	526,667	592	31,811
Celebrations	33,000	33,000	27,006		5,994
<b><u>HOME &amp; COMMUNITY SERVICE</u></b>					
Zoning Board	39,024	71,283	71,210		73
Planning Board	32,224	32,924	24,875		8,049
Sanitary Sewers	347,935	397,935	339,686	40,299	17,950
Refuse Collection	2,731,886	2,704,321	2,690,371		13,950
Board of Arch Review	5,000	5,000	5,000		-
Storm Sewers	128,429	141,677	141,092	585	-
Emergency Tenant Protection	7,500	9,290	9,290		-
<b><u>EMPLOYEE BENEFITS</u></b>					
Employee benefits	11,093,500	10,712,216	10,712,215		1
<b><u>DEBT SERVICE</u></b>					
Debt Service - Interest	1,825	1,825	1,811		14
<b>TOTAL EXPENDITURES</b>	<b>39,004,388</b>	<b>40,816,305</b>	<b>38,504,056</b>	<b>313,438</b>	<b>1,998,811</b>
<b><u>OTHER FINANCING (SOURCES) USES</u></b>					
Issuance of serial bonds	-	-	-	-	-
Other financing uses - transfers to other funds	3,666,430	3,734,430	3,734,430	-	-
<b>TOTAL OTHER FINANCING (SOURCES) USES</b>	<b>3,666,430</b>	<b>3,734,430</b>	<b>3,734,430</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES AND OTHER (SOURCES) USES</b>	<b>\$ 42,670,818</b>	<b>\$ 44,550,735</b>	<b>42,238,486</b>	<b>\$ 313,438</b>	<b>\$ 1,998,811</b>
<b>EXCESS OF REVENUES (EXPENDITURES)</b>			<b>1,404,147</b>		
<b>FUND BALANCES - BEGINNING OF YEAR</b>			<b>5,148,195</b>		
<b>FUND BALANCES - END OF YEAR</b>			<b>\$ 6,552,342</b>		

Note to Required Supplementary Information

**Budget Basis of accounting**

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

See Paragraph on Required Supplementary Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFITS (OPEB)  
MAY 31, 2015**

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Accrued Liability</u>	<u>Unfunded Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Liability as a Percentage of Covered Payroll</u>
June 1, 2010	\$ 0	\$ 65,832,565	\$ 65,832,565	0%	\$ 19,793,146	333%
June 1, 2012	\$ 0	\$ 75,601,277	\$ 75,601,277	0%	\$ 22,892,008	330%
June 1, 2014	\$ 0	\$ 71,111,830	\$ 71,111,830	0%	\$ 24,185,039	294%

See Paragraph on Required Supplementary Information Included in Independent Auditor's Report

**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.

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
GENERAL FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,801,608	\$ 8,020,813
Cash and cash equivalents - restricted	1,797,172	733,023
Taxes receivable, net of allowance for uncollectible amounts	37,864	68
Other receivables:		
Accounts, net	5,161	209
State and federal aid	104,935	38,555
Due from other governments	67,157	157,255
Due from other funds	<u>223,645</u>	<u>216,250</u>
<b>TOTAL ASSETS</b>	<u>\$ 10,037,542</u>	<u>\$ 9,166,173</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
Payables		
Accounts payable	\$ 547,411	\$ 432,952
Accrued liabilities	1,542,162	1,674,198
Due to other governments	1,803	4,044
Due to retirement system	1,080,389	1,678,597
Due to other funds	29,095	7,611
Unearned revenues		
Collections in advance	<u>161,552</u>	<u>137,581</u>
<b>TOTAL LIABILITIES</b>	<u>3,362,412</u>	<u>3,934,983</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Taxes received in advance	<u>122,788</u>	<u>82,995</u>
 <b>FUND BALANCES</b>		
Restricted	1,797,172	733,023
Assigned (tax certiorari)	1,399,956	1,233,690
Assigned (unappropriated)	313,438	345,144
Unassigned	<u>3,041,776</u>	<u>2,836,338</u>
<b>TOTAL FUND BALANCES</b>	<u>6,552,342</u>	<u>5,148,195</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 10,037,542</u>	<u>\$ 9,166,173</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	2015				2014			
	Original Budget	Final Budget	Current Year	Encumbrances	Final Budget Variance with Budgetary Actual and Encumbrances	Original Budget	Final Budget	Current Year
REVENUES								
Real property taxes	\$ 27,380,140	\$ 27,380,140	\$ 27,312,754	\$ 67,306	\$ 26,336,493	\$ 26,336,493	\$ 26,336,493	\$ 26,129,571
Other tax liens	850,449	890,449	906,877	(16,428)	824,749	824,749	824,749	811,969
Departmental income	4,634,000	4,819,000	4,675,783	143,217	4,751,500	5,001,500	5,001,500	4,619,993
Use of money & property	113,000	113,000	92,705	20,295	105,000	105,000	105,000	107,380
Licenses & permits	1,392,000	1,747,000	1,736,837	10,163	1,262,000	1,262,000	1,262,000	1,557,488
Fines & forfeitures	1,450,000	1,450,000	1,308,490	141,510	1,300,000	1,500,000	1,500,000	1,299,847
Sale of property & compensation for loss	91,000	108,000	104,280	3,720	96,000	96,000	96,000	77,282
Intergovernmental charges	4,820,765	4,851,765	4,829,783	21,982	5,089,876	5,309,876	5,327,832	5,327,832
State and county aid	922,209	1,033,209	933,182	100,027	871,671	990,819	921,711	921,711
Federal aid	100,000	911,100	828,494	82,606	125,000	155,532	227,894	227,894
Miscellaneous	917,255	919,955	913,448	6,507	872,704	1,110,704	796,801	796,801
<b>TOTAL REVENUES</b>	<b>42,670,818</b>	<b>44,223,618</b>	<b>43,642,633</b>	<b>580,985</b>	<b>41,834,993</b>	<b>42,692,693</b>	<b>41,877,768</b>	<b>41,877,768</b>
<b>EXPENDITURES</b>								
General government support	6,681,071	7,263,271	6,079,330	\$ 50,627	6,910,561	6,079,473	5,344,680	\$ 34,167
Public safety	12,177,548	12,214,353	12,435,766	170,467	11,911,767	13,042,621	12,503,350	271,520
Health	54,669	54,669	53,176	1,493	53,647	53,647	53,009	838
Transportation	2,501,971	2,798,396	2,708,131	419	2,457,013	2,731,672	2,636,430	1,846
Economic opportunity & development	100,000	100,000	92,532	7,468	106,000	106,000	84,095	93,396
Culture and recreation	3,101,806	3,309,245	3,139,571	51,041	3,034,054	3,529,778	3,355,816	37,565
Home and community services	3,291,998	3,362,430	3,281,524	40,884	3,243,316	3,396,616	3,327,475	46
Employee benefits	11,093,500	10,712,216	10,712,215	1	11,119,154	11,381,925	11,101,839	280,086
Debt Service	1,925	1,925	1,811	14	2,435	2,435	2,434	1
Interest	39,004,384	40,816,305	38,504,056	313,438	38,837,947	40,324,367	38,409,128	345,144
<b>TOTAL EXPENDITURES</b>	<b>39,004,384</b>	<b>40,816,305</b>	<b>38,504,056</b>	<b>313,438</b>	<b>38,837,947</b>	<b>40,324,367</b>	<b>38,409,128</b>	<b>345,144</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Issuance of serial bonds	327,117	327,117	(3,734,430)	327,117	(2,997,046)	628,720	(2,997,046)	(2,997,046)
Operating transfers in	(3,666,130)	(3,734,330)	(3,734,430)		(2,997,046)	(2,997,046)		
Operating transfers out								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(3,666,130)</b>	<b>(3,407,213)</b>	<b>(3,734,430)</b>	<b>327,117</b>	<b>(2,997,046)</b>	<b>(2,368,326)</b>	<b>(2,777,046)</b>	<b>408,720</b>
<b>TOTAL EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>\$ 42,670,818</b>	<b>\$ 44,223,618</b>	<b>\$ 42,238,986</b>	<b>\$ 313,438</b>	<b>\$ 41,834,993</b>	<b>\$ 42,692,693</b>	<b>\$ 41,186,174</b>	<b>\$ 345,144</b>
<b>NET CHANGE IN FUND BALANCES</b>								
<b>FUND BALANCES- BEGINNING OF YEAR</b>			1,404,147				691,594	
<b>FUND BALANCES- END OF YEAR</b>			5,148,195				4,456,601	
			\$ 6,552,342				\$ 5,148,195	

Note to Required Supplementary Information

**Budget Basis of Accounting**  
 Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

See Paragraph on Other Information Included in Independent Auditor's Report



**CAPITAL PROJECTS  
FUND**

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
CAPITAL PROJECTS FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - unrestricted	\$ 831,667	\$ 641,175
Cash and cash equivalents - restricted	10,150,620	8,731,479
Other receivables:		
Accounts	655	-
State and federal aid	989,804	708,402
Due from other governments	<u>334,268</u>	<u>12,768</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 12,307,014</u></u>	<u><u>\$ 10,093,824</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Payables		
Accounts payable	\$ 1,116,903	\$ 615,427
Retainage payable	-	90,549
Due to other funds	11,093	15,310
Notes payable		
Bond anticipation notes payable	<u>-</u>	<u>102,000</u>
<b>TOTAL LIABILITIES</b>	<u>1,127,996</u>	<u>823,286</u>
 <b>FUND BALANCES</b>		
Restricted	10,150,620	8,731,479
Assigned	<u>1,028,398</u>	<u>539,059</u>
<b>TOTAL FUND BALANCES</b>	<u>11,179,018</u>	<u>9,270,538</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 12,307,014</u></u>	<u><u>\$ 10,093,824</u></u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
State aid	\$ 969,660	\$ 445,879
County and local aid	464,900	697,259
<b>TOTAL REVENUES</b>	<u>1,434,560</u>	<u>1,143,138</u>
<b>EXPENDITURES</b>		
Capital outlay	<u>8,383,778</u>	<u>3,464,519</u>
<b>TOTAL EXPENDITURES</b>	<u>8,383,778</u>	<u>3,464,519</u>
<b>EXCESS (DEFICIENCY)</b>		
<b>OF REVENUES OVER EXPENDITURES</b>	(6,949,218)	(2,321,381)
<b>OTHER FINANCING SOURCES (USES)</b>		
Issuance of serial bonds	8,760,000	7,715,000
Operating transfers in	102,000	34,000
Operating transfers (out)	<u>(4,302)</u>	<u>(3,861)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>8,857,698</u>	<u>7,745,139</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,908,480	5,423,758
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>9,270,538</u>	<u>3,846,780</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 11,179,018</u>	<u>\$ 9,270,538</u>

See Paragraph on Other Information Included in Independent Auditor's Report

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**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

Project Number	Project Title	Expenditures to Date		Unexpended Balance	Projects of Obligations	Methods of Financing		Project Transfers	Total	Fiscal Balance May 31, 2015
		Prior Years	Current Year			State and Federal Aid	Local Sources			
		\$	\$	\$	\$	\$	\$	\$	\$	\$
2004-5	Public Works Building Repairs	15,000		14,321					15,000	679
2005-16	Museum Renovations	15,000		14,321					15,000	(10,450)
2005-16A	Museum Renovations	20,000		45,350					34,900	87,991
2007-2	Parking Field Renovations	350,000	5,700	282,009	350,000				350,000	123,520
2007-5	Pump House Renovations	140,000		16,480					140,000	314,042
2008-7	Architect/Engineering	300,000	313	85,938	300,000				300,000	(1,819)
2009-2	Auxiliary Police Facility	100,000		101,819	100,000				100,000	2,840
2009-2A	Auxiliary Police Building Renovations	150,000		150,000	150,000				150,000	
2009-3B	Auxiliary Police	250,000		247,160			250,000		250,000	
2009-3	Hand-held Computers	75,000		75,000					75,000	
2010-2	Street Resurfacing & Drainage Improvements	2,500,000		2,500,000					2,500,000	147,299
2010-3	Park Upgrade	225,000	750	77,707					225,000	83,612
2010-3A	Centennial Park	160,000	374	76,388					160,000	324,943
2010-3B	Centennial Park	325,000	57	57					325,000	
2010-3C	Centennial Park	500,000	55,850	35,850		40,200			55,850	
2010-4	Recreation Center Improvements	180,000		180,000	180,000				180,000	
2010-6	Park & Recreation Center Improvements	125,000		125,000	125,000				125,000	2
2010-7	Computation	103,000	14,495	104,998	105,000				105,000	
2010-8	Vehicles	185,000		185,000	185,000				185,000	
2010-9	Vehicles	175,000		175,000	175,000				175,000	
2010-10	Fuel Tank Replacement	500,000		500,000	500,000				500,000	
2011-1	Renovating & Drainage Improvements	2,200,000	15,012	2,200,001	2,300,000				2,300,000	(1)
2011-2	Computer Hardware Acquisition	45,000		45,000	45,000				45,000	
2011-3	Computer Hardware Acquisition	55,000		55,000	55,000				55,000	17,035
2011-4	Computer Hardware Acquisition	250,000	105,563	237,965	250,000				250,000	
2011-5	Refurbish Recreation Facilities	175,000		175,000	175,000				175,000	
2011-6	Fire Department Truck	125,000		125,000	125,000				125,000	
2011-7	Vehicles for Department of Public Works	170,000		145,436	170,000				170,000	24,574
2011-8	Vehicles for Department of Public Works	195,000		195,000	195,000				195,000	
2011-9	Replace Fuel Tanks and Vehicles	500,000	22,393	459,793	500,000				500,000	40,207
2011-10A	Maple Avenue	475,000		475,000	475,000	475,000			475,000	
2011-10B	Maple Avenue	400,000	489,050	651,517	400,000	800,000			800,000	148,483
2011-10C	Maple Avenue	50,000		50,000	50,000				50,000	
2012-1	Parking Canopies	170,000	30,000	170,000	102,000				170,000	
2012-2	Molloy Fields	618,500		224,823					224,823	
2012-2A	Molloy Fields-Klein Field Renovation	1,600,000	(102,286)	911,814					911,814	(311)
2012-3B	Molloy	67,878		67,878					67,878	
2012-3	Molloy	50,000		50,000					50,000	
2012-3D	Street Resurfacing and Drainage	1,716,498	1,241,138	1,716,498	700,000				1,716,498	
		11,015,903	1,887,909	12,903,812	9,627,000	1,315,200	2,228,034	51,016,498	14,186,732	1,252,920
		15,678,276								

Subtotal

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
SCHEDULE OF PROJECT EXPENDITURES - CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

Project Title	Project Number	Authorization	Expenditures to Date		Unexpended Balance	Percent of Obligations	Methods of Financing		Project Transfers	Total	Fund Balance May 31, 2015
			Prior Year	Current Year			Federal Aid	Local Sources			
		\$ 15,678,376	\$ 11,045,903	\$ 1,887,909	\$ 12,933,812	\$ 2,741,464	\$ 9,637,000	\$ 1,315,200	\$ 1,016,498	\$ 14,166,732	\$ 1,252,920
DPW Dump Truck	2012-4	195,000	170,654	24,346	195,000	-	195,000	-	-	195,000	-
DPW Snow Jet Van	2012-5	200,000	200,000	-	200,000	-	200,000	-	-	200,000	-
Fire Department Ambulance	2012-6	225,000	220,698	-	220,698	4,302	225,000	-	-	225,000	4,302
Police Department Telephone System	2012-7	200,000	200,000	-	200,000	-	200,000	-	-	200,000	-
Athletic Fields	2012-8	60,000	50,831	-	50,831	9,169	60,000	-	-	60,000	9,169
RVC Soccer Club - Tighe Field	2012-9	750,000	640,381	121,148	761,529	(11,529)	750,000	-	-	750,000	(11,529)
	2012-9A	26,225	26,225	-	26,225	-	-	26,225	-	26,225	-
	2012-9B	10,000	10,000	-	10,000	-	-	10,000	-	10,000	-
	2012-9C	10,000	10,000	-	10,000	-	-	10,000	-	10,000	-
	2012-9D	500,000	500,000	-	500,000	-	-	500,000	-	500,000	-
Nalloy	2012-10	20,000	8,386	-	8,386	20,000	-	-	-	20,000	(20,000)
MIS Network Switch	2012-11	130,000	75,968	9,831	85,799	130,000	-	-	-	130,000	-
MIS Computer Server	2012-12	198,455	198,455	-	198,455	-	198,455	-	-	198,455	-
RVC Schools - Firman's Field	2012-13	100,000	-	2,218	2,218	97,782	-	-	-	100,000	97,782
Avalon Bay-Smith Pond Improvements	2012-14	100,000	87,628	-	87,628	12,372	-	-	(1,016,498)	100,000	12,372
	2012-14	100,000	104,682	(4,682)	100,000	-	100,000	-	-	100,000	-
	2014-1	4,133,502	63,800	3,432,785	3,496,585	636,917	5,150,000	-	-	4,132,502	636,917
	2014-2	100,000	9,127	2,100	11,227	88,773	100,000	-	-	100,000	-
	2014-3	195,000	-	195,000	195,000	-	195,000	-	-	195,000	-
	2014-4	245,000	-	245,000	245,000	-	245,000	-	-	245,000	-
	2014-5	245,000	152,900	73,034	225,934	19,066	200,000	-	-	245,000	19,066
	2014-6	200,000	-	-	-	200,000	200,000	-	-	200,000	-
	2014-7	70,000	66,404	-	66,404	3,596	70,000	-	-	70,000	3,596
	2014-8	80,000	71,214	(198)	71,016	6,924	80,000	-	-	80,000	6,924
	2014-9	200,000	31,631	36,655	68,286	131,714	200,000	-	-	200,000	12,274
	2014-10	100,000	34,866	6,463	41,329	58,671	100,000	-	-	100,000	58,671
	2014-11	30,000	-	30,000	30,000	-	30,000	-	-	30,000	-
	2014-12	1,000,000	-	-	-	1,000,000	1,000,000	-	-	1,000,000	-
	2014-13	5,000,000	-	1,322,267	1,322,267	3,677,733	5,000,000	-	-	5,000,000	3,677,733
	2015-1	1,000,000	-	391,000	391,000	607,000	1,000,000	-	-	1,000,000	-
	2015-2	250,000	-	-	-	250,000	250,000	-	-	250,000	-
	2015-3	35,000	-	-	-	35,000	35,000	-	-	35,000	-
	2015-4	60,000	-	58,516	58,516	1,484	60,000	-	-	60,000	1,484
	2015-5	500,000	-	174,506	174,506	325,494	500,000	-	-	500,000	-
	2015-6	212,650	-	-	-	212,650	212,650	-	-	212,650	-
	2015-6A	1,600,000	-	-	-	1,600,000	1,600,000	-	-	1,600,000	-
	2015-7	75,000	-	75,000	75,000	-	-	75,000	-	75,000	-
	2015-8	298,870	-	298,870	298,870	-	-	-	-	298,870	-
Various Road Improvements	B3	237,129	237,129	-	237,129	-	630,997	-	-	630,997	-
Various Road Improvements	B5	-	-	-	-	-	237,129	-	-	237,129	-
<b>TOTAL</b>		\$ 34,170,107	\$ 13,745,942	\$ 8,383,778	\$ 22,129,720	\$ 12,240,387	\$ 27,802,000	\$ 2,183,256	\$ 3,347,714	\$ 33,313,040	\$ 11,183,320
											(4,302)
									Transferred to debt service fund		\$ 11,179,018

See Paragraph on Other Information Included in Independent Auditor's Report

## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than proprietary, expendable trusts, pension trusts or capital projects) that are legally restricted to expenditures for certain defined purposes. The special revenue funds of the Village are as follows:

**Community Development and Section 8 Funds** - The Community Development and Section 8 Funds are used to account for projects and subsidies financed by entitlements from the United States Department of Housing and Urban Development.

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

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMBINING BALANCE SHEET - NON MAJOR GOVERNMENTAL FUNDS  
MAY 31, 2015**

	<b>Special Revenue Funds</b>				<b>Total Non-Major Funds</b>
	<b>Community Development</b>	<b>Section 8 Housing</b>	<b>Special Purpose</b>	<b>Total</b>	<b>Debt Service</b>
<b>ASSETS</b>					
Cash and cash equivalents - unrestricted	\$ 36,611			\$ 36,611	\$ 36,611
Cash and cash equivalents - restricted		\$ 356,226	\$ 191,189	\$ 547,415	\$ 269,719
Receivables:					
Accounts, net		19,146		19,146	19,146
Due from other governments	26,579			26,579	26,579
Due from other funds	1,695			1,695	11,093
<b>TOTAL ASSETS</b>	<b>\$ 64,885</b>	<b>\$ 375,372</b>	<b>\$ 191,189</b>	<b>\$ 631,446</b>	<b>\$ 280,812</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Accounts payable	\$ 4,121			\$ 4,121	\$ 4,121
Accrued liabilities		\$ 242,573		242,573	242,573
Due to other funds	59,500	1,695		61,195	61,195
<b>TOTAL LIABILITIES</b>	<b>63,621</b>	<b>244,268</b>	<b>-</b>	<b>307,889</b>	<b>307,889</b>
<b>FUND BALANCES</b>					
Restricted		131,104	191,189	322,293	280,812
Assigned	1,264			1,264	603,105
<b>TOTAL FUND BALANCES</b>	<b>1,264</b>	<b>131,104</b>	<b>191,189</b>	<b>323,557</b>	<b>604,369</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 64,885</b>	<b>\$ 375,372</b>	<b>\$ 191,189</b>	<b>\$ 631,446</b>	<b>\$ 912,258</b>

See Paragraph on Other Information Included in Independent Auditor's Report



**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Special Revenue Funds				Total Non Major Funds
	Community Development	Section 8 Housing	Special Purpose	Debt Service	
<b>REVENUES</b>					
Departmental income	\$ 8,500	\$ 112,485			\$ 120,985
Use of money & property	143	482		\$ 34,113	34,738
Federal aid	147,921	2,417,311			2,565,232
Miscellaneous			\$ 119,499		119,499
<b>TOTAL REVENUES</b>	<b>156,564</b>	<b>2,530,278</b>	<b>119,499</b>	<b>34,113</b>	<b>2,840,454</b>
<b>EXPENDITURES</b>					
Economic opportunity and development		2,683,636			2,683,636
Culture and recreation			63,768		63,768
Home and community services	156,540				156,540
Debt service					
Principal				2,895,000	2,895,000
Interest				767,208	767,208
<b>TOTAL EXPENDITURES</b>	<b>156,540</b>	<b>2,683,636</b>	<b>63,768</b>	<b>3,662,208</b>	<b>6,566,152</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>24</b>	<b>(153,358)</b>	<b>55,731</b>	<b>(3,628,095)</b>	<b>(3,725,698)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Premium on obligations				90,866	90,866
Operating transfers in				3,636,732	3,636,732
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,727,598</b>	<b>3,727,598</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>24</b>	<b>(153,358)</b>	<b>55,731</b>	<b>99,503</b>	<b>1,900</b>
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>1,240</b>	<b>284,462</b>	<b>135,458</b>	<b>181,309</b>	<b>602,469</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 1,264</b>	<b>\$ 131,104</b>	<b>\$ 191,189</b>	<b>\$ 280,812</b>	<b>\$ 604,369</b>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
COMMUNITY DEVELOPMENT FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - unrestricted	\$ 36,611	\$ 59,538
Receivables:		
Due from other governments	26,579	13,747
Due from other funds	<u>1,695</u>	<u>1,695</u>
<b>TOTAL ASSETS</b>	<u>\$ 64,885</u>	<u>\$ 74,980</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Accounts payable	\$ 4,121	\$ 5,922
Due to other funds	<u>59,500</u>	<u>67,818</u>
<b>TOTAL LIABILITIES</b>	<u>63,621</u>	<u>73,740</u>
 <b>FUND BALANCES</b>		
Assigned	<u>1,264</u>	<u>1,240</u>
<b>TOTAL FUND BALANCES</b>	<u>1,264</u>	<u>1,240</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 64,885</u>	<u>\$ 74,980</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
COMMUNITY DEVELOPMENT FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Departmental income	\$ 8,500	\$ 30,180
Use of money & property	143	37
Federal aid	147,921	298,111
<b>TOTAL REVENUES</b>	<u>156,564</u>	<u>328,328</u>
<b>EXPENDITURES</b>		
Home and community service	<u>156,540</u>	<u>331,407</u>
<b>NET CHANGE IN FUND BALANCES</b>	24	(3,079)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	1,240	4,319
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,264</u>	<u>\$ 1,240</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
SECTION 8 HOUSING FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - restricted	\$ 356,226	\$ 494,967
Receivables:		
Accounts, net	<u>19,146</u>	<u>3,280</u>
<b>TOTAL ASSETS</b>	<u>\$ 375,372</u>	<u>\$ 498,247</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Accounts payable	\$ -	\$ 232
Accrued liabilities	242,573	211,858
Due to other funds	<u>1,695</u>	<u>1,695</u>
<b>TOTAL LIABILITIES</b>	<u>244,268</u>	<u>213,785</u>
 <b>FUND BALANCES</b>		
Restricted	<u>131,104</u>	<u>284,462</u>
<b>TOTAL FUND BALANCES</b>	<u>131,104</u>	<u>284,462</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 375,372</u>	<u>\$ 498,247</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SECTION 8 HOUSING FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Departmental income	\$ 112,485	\$ 89,298
Use of money & property	482	500
Federal aid	<u>2,417,311</u>	<u>2,588,367</u>
<b>TOTAL REVENUES</b>	<u>2,530,278</u>	<u>2,678,165</u>
<b>EXPENDITURES</b>		
Economic opportunity and development	<u>2,683,636</u>	<u>2,901,827</u>
<b>NET CHANGE IN FUND BALANCES</b>	(153,358)	(223,662)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>284,462</u>	<u>508,124</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 131,104</u>	<u>\$ 284,462</u>

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
SPECIAL PURPOSE FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - restricted	<u>\$ 191,189</u>	<u>\$ 135,458</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 191,189</u></u>	<u><u>\$ 135,458</u></u>
<b>FUND BALANCES</b>		
Restricted	<u>\$ 191,189</u>	<u>\$ 135,458</u>
<b>TOTAL FUND BALANCES</b>	<u>191,189</u>	<u>135,458</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 191,189</u></u>	<u><u>\$ 135,458</u></u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
SPECIAL PURPOSE FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Miscellaneous	<u>\$ 119,499</u>	<u>\$ 87,889</u>
<b>EXPENDITURES</b>		
Culture and recreation	<u>63,768</u>	<u>27,938</u>
<b>EXCESS (DEFICIENCY)     OF REVENUES OVER EXPENDITURES</b>	55,731	59,951
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>135,458</u>	<u>75,507</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 191,189</u>	<u>\$ 135,458</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**DEBT SERVICE  
FUND**

The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on general long-term debt.



**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE BALANCE SHEET  
DEBT SERVICE FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - restricted	\$ 269,719	\$ 166,522
Receivables:		
Due from other funds	<u>11,093</u>	<u>14,787</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 280,812</u></u>	<u><u>\$ 181,309</u></u>
 <b>FUND BALANCES</b>		
Restricted	<u>\$ 280,812</u>	<u>\$ 181,309</u>
<b>TOTAL FUND BALANCES</b>	<u><u>\$ 280,812</u></u>	<u><u>\$ 181,309</u></u>

See Paragraph on Other Information Included in Independent Auditor's Report

	2015			2014		
	Original Budget	Final Budget	Current Year	Final Budget	Original Budget	Final Budget
						Variance with Budgetary Actual
<b>REVENUES</b>						
Use of money & property			\$ 34,113	\$ (34,113)		\$ 37,959
<b>TOTAL REVENUES</b>	\$ -	\$ -	34,113	(34,113)	\$ -	37,959
<b>EXPENDITURES</b>						
Debt service						
Principal	2,929,000	2,929,000	2,895,000	34,000	2,393,500	2,459,500
Interest	739,255	739,255	767,208	(27,953)	603,546	603,546
<b>TOTAL EXPENDITURES</b>	3,668,255	3,668,255	3,662,208	6,047	2,997,046	3,063,046
<b>OTHER FINANCING SOURCES (USES)</b>						
Premium on obligations			90,866	(90,866)		33,808
Issuance of refunding bonds						
Payments to refunded bond escrow agent			3,636,732	31,523	2,997,046	2,966,907
Operating transfers in						
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	3,668,255	3,668,255	3,727,598	(59,343)	2,997,046	3,000,715
<b>TOTAL EXPENDITURES AND OTHER SOURCES (USES)</b>	\$ -	\$ -	(65,190)	\$ 65,190	\$ -	\$ 62,331
<b>NET CHANGE IN FUND BALANCES</b>			99,503			(24,372)
<b>FUND BALANCES- BEGINNING OF YEAR</b>			181,309			205,681
<b>FUND BALANCES- END OF YEAR</b>			\$ 280,812			\$ 181,309

### Note to Required Supplementary Information

**Budget Basis of Accounting**  
Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**See Paragraph on Other Information Included in Independent Auditor's Report**

## **ENTERPRISE FUNDS**

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

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF FUND NET POSITION  
ENTERPRISE FUND - WATER FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,865,398	\$ 4,281,234
Receivables		
Accounts, net	1,844,507	1,944,132
Due from other funds	16,728	2,267
Inventories	289,707	308,480
<b>Total Current Assets</b>	<u>6,016,340</u>	<u>6,536,113</u>
<b>Non-Current Assets</b>		
Land	327,271	327,271
Construction-in-progress	4,482,303	2,213,056
Buildings and equipment	32,384,715	30,682,239
	<u>37,194,289</u>	<u>33,222,566</u>
Less - Accumulated depreciation	(10,708,134)	(10,087,312)
<b>Total Non-Current Assets</b>	<u>26,486,155</u>	<u>23,135,254</u>
<b>TOTAL ASSETS</b>	<u>32,502,495</u>	<u>29,671,367</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	<u>86,643</u>	<u>103,971</u>
 <b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	1,173,199	211,733
Accrued liabilities	13,797	13,853
Accrued interest	110,472	110,648
Due to other funds	24,662	45,428
Customer deposits	25,032	21,902
Collections in advance	44,436	44,718
Due to employees' retirement system	22,155	25,509
Bonds payable, inclusive of premiums	1,461,834	1,243,298
Compensated absences	9,687	9,932
<b>Total Current Liabilities</b>	<u>2,885,274</u>	<u>1,727,021</u>
<b>Non-Current Liabilities</b>		
Bonds payable, inclusive of premiums	11,072,440	9,807,049
Compensated absences	377,774	387,352
Net other post-employment benefit obligations	574,759	504,252
<b>Total Non-Current Liabilities</b>	<u>12,024,973</u>	<u>10,698,653</u>
<b>TOTAL LIABILITIES</b>	<u>14,910,247</u>	<u>12,425,674</u>
 <b>NET POSITION</b>		
Net investment in capital assets	14,038,524	12,188,878
Unrestricted	3,640,367	5,160,786
<b>TOTAL NET POSITION</b>	<u>\$ 17,678,891</u>	<u>\$ 17,349,664</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**ENTERPRISE FUND - WATER FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>		
Charges for services		
Metered sales	\$ 4,440,216	\$ 4,621,079
Penalty income	121,727	140,475
Miscellaneous	18,083	16,708
<b>Total operating revenues</b>	<u>4,580,026</u>	<u>4,778,262</u>
<b>OPERATING EXPENSES</b>		
Purchased power	201,601	173,354
Depreciation	698,299	690,845
Maintenance	374,158	357,387
Interfund charges	751,627	882,902
Transmission and distribution	771,242	902,850
General and administrative	1,172,542	1,148,439
Employee benefits	470,284	554,646
Insurance	75,000	88,235
<b>Total operating expenses</b>	<u>4,514,753</u>	<u>4,798,658</u>
<b>Operating income (loss)</b>	<u>65,273</u>	<u>(20,396)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Rental income	519,941	529,826
Interest income	56,651	47,333
Interest expense	(312,638)	(330,956)
<b>Total non-operating revenues (expenses)</b>	<u>263,954</u>	<u>246,203</u>
<b>CHANGE IN NET POSITION</b>	329,227	225,807
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<u>17,349,664</u>	<u>17,123,857</u>
<b>TOTAL NET POSITION - END OF YEAR</b>	<u>\$ 17,678,891</u>	<u>\$ 17,349,664</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF CASH FLOWS  
ENTERPRISE FUND - WATER FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Revenue collected:		
Cash received from charges for services	\$ 4,682,499	\$ 4,901,526
Payments for expenses		
Cash payments to other suppliers of goods or services	(1,741,001)	(2,845,173)
Cash payments to employees for services and related expenses	(1,037,940)	(896,057)
Internal activity-payments (to) from other funds for expense reimbursements	(35,227)	42,717
Net Cash Provided by Operating Activities	<u>1,868,331</u>	<u>1,203,013</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(4,049,200)	(2,481,119)
Proceeds from capital debt	2,724,872	424,872
Principal paid on capital debt	(1,216,073)	(1,279,372)
Interest paid on capital debt	(320,358)	(390,599)
Net Cash Used by Capital and Related Financing Activities	<u>(2,860,759)</u>	<u>(3,726,219)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and rental income	<u>576,592</u>	<u>577,159</u>
Net Cash Provided by Investing Activities	<u>576,592</u>	<u>577,159</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 (415,836)	 (1,946,046)
Cash and Cash Equivalents at Beginning of Year	<u>4,281,234</u>	<u>6,227,280</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,865,398</u>	<u>\$ 4,281,234</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 65,273	\$ (20,396)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	698,299	690,845
Decrease (increase) in:		
Accounts receivable	99,625	123,164
Due from other funds	(14,461)	22,141
Inventory	18,773	8,195
Increase (decrease) in:		
Accounts payable	961,466	160,091
Accrued liabilities	(56)	1,912
Due to other funds	(20,766)	20,576
Customer deposits	3,130	100
Collections in advance	(282)	-
Due to employees' retirement system	(3,354)	1,769
Compensated absences	(9,823)	66,047
Other post-employment benefit obligations payable	70,507	128,569
Net Cash Provided by Operating Activities	<u>\$ 1,868,331</u>	<u>\$ 1,203,013</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF FUND NET POSITION  
ENTERPRISE FUND - ELECTRIC FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 8,765,885	\$ 4,953,979
Receivables		
Accounts, net	3,326,105	4,010,218
State and federal aid receivable	-	46,230
Due from other funds	24,542	41,311
Inventories	2,550,600	2,751,495
<b>Total Current Assets</b>	<u>14,667,132</u>	<u>11,803,233</u>
<b>Non-Current Assets</b>		
Land	48,614	48,614
Construction-in-progress	4,612,233	3,505,957
Buildings and equipment	59,882,137	58,100,703
	<u>64,542,984</u>	<u>61,655,274</u>
Less - Accumulated depreciation	(31,977,788)	(30,837,206)
<b>Total Non-Current Assets</b>	<u>32,565,196</u>	<u>30,818,068</u>
<b>TOTAL ASSETS</b>	<u>47,232,328</u>	<u>42,621,301</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	<u>195,068</u>	<u>214,575</u>
 <b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	3,802,888	2,249,116
Accrued liabilities	88,776	80,286
Accrued interest	141,345	134,674
Due to other funds	27,187	28,610
Customer deposits	1,451,224	1,504,932
Collections in advance	69,196	-
Due to employees' retirement system	144,394	153,742
Bonds payable, inclusive of premiums	1,235,280	1,013,308
Compensated absences	64,842	68,718
<b>Total Current Liabilities</b>	<u>7,025,132</u>	<u>5,233,386</u>
<b>Non-Current Liabilities</b>		
Bonds payable, inclusive of premiums	9,860,532	8,064,765
Compensated absences	2,528,849	2,680,010
Other post-employment benefit obligations payable	3,465,794	2,993,381
<b>Total Non-Current Liabilities</b>	<u>15,855,175</u>	<u>13,738,156</u>
<b>TOTAL LIABILITIES</b>	<u>22,880,307</u>	<u>18,971,542</u>
 <b>NET POSITION</b>		
Net investment in capital assets	21,664,452	21,954,570
Unrestricted	2,882,637	1,909,764
<b>TOTAL NET POSITION</b>	<u>\$ 24,547,089</u>	<u>\$ 23,864,334</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**ENTERPRISE FUND - ELECTRIC FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>		
Charges for services		
Metered sales	\$ 24,798,043	\$ 27,133,374
Miscellaneous	152,706	110,550
<b>Total operating revenues</b>	<u>24,950,749</u>	<u>27,243,924</u>
<b>OPERATING EXPENSES</b>		
Purchased power	11,476,806	12,215,145
Depreciation	1,496,099	1,466,065
Maintenance	14,229	32,328
Interfund charges	3,313,174	3,721,056
Production	2,114,815	2,118,964
Transmission and distribution	1,122,874	1,132,479
Street lighting	260,440	329,082
General and administrative	1,176,395	1,225,768
Employee benefits	2,761,516	3,378,092
Insurance	258,333	391,841
Customer deposit interest	9,841	8,680
<b>Total operating expenses</b>	<u>24,004,522</u>	<u>26,019,500</u>
Operating income	<u>946,227</u>	<u>1,224,424</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	44,375	38,197
Interest expense	(307,847)	(328,023)
<b>Total non-operating revenues (expenses)</b>	<u>(263,472)</u>	<u>(289,826)</u>
<b>CHANGE IN NET POSITION</b>	682,755	934,598
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<u>23,864,334</u>	<u>22,929,736</u>
<b>TOTAL NET POSITION - END OF YEAR</b>	<u>\$ 24,547,089</u>	<u>\$ 23,864,334</u>

See Paragraph on Other Information Included in Independent Auditor's Report



**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF CASH FLOWS  
ENTERPRISE FUND - ELECTRIC FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Revenue collected:		
Cash received from charges for services	\$ 25,696,580	\$ 28,808,006
Payments for expenses		
Cash payments to other suppliers of goods or services	(15,227,739)	(19,436,517)
Cash payments to employees for services and related expenses	(5,199,658)	(5,657,213)
Cash payments to customers on deposit interest	(9,841)	(7,192)
Internal activity-payments from (to) other funds for expense reimbursements	15,346	(21,432)
Net Cash Provided by Operating Activities	<u>5,274,688</u>	<u>3,685,652</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	(3,243,227)	(1,117,654)
Proceeds from capital debt	2,970,687	33,041
Principal paid on capital debt	(982,261)	(1,019,041)
Interest paid on capital debt	(252,356)	(365,602)
Net Cash Used by Capital and Related Financing Activities	<u>(1,507,157)</u>	<u>(2,469,256)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and rental income	44,375	38,197
Net Cash Provided by Investing Activities	<u>44,375</u>	<u>38,197</u>
Net Increase in Cash and Cash Equivalents	3,811,906	1,254,593
Cash and Cash Equivalents at Beginning of Year	4,953,979	3,699,386
Cash and Cash Equivalents at End of Year	<u>\$ 8,765,885</u>	<u>\$ 4,953,979</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income	\$ 946,227	\$ 1,224,424
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,496,099	1,466,065
Decrease (Increase) in:		
Accounts receivable	684,113	66,958
State and federal aid receivable	46,230	1,278,561
Due from other funds	16,769	(13,194)
Prepaid expense	-	55,749
Inventory	200,895	(218,968)
Increase (Decrease) in:		
Accounts payable	1,553,772	(867,262)
Accrued liabilities	8,490	(3,847)
Due to other funds	(1,423)	(8,238)
Customer deposits	(53,708)	218,563
Collections in advance	69,196	-
Due to employees' retirement system	(9,348)	(17,375)
Compensated absences	(155,037)	(90,386)
Other post-employment benefit obligations payable	472,413	594,602
Net Cash Provided by Operating Activities	<u>\$ 5,274,688</u>	<u>\$ 3,685,652</u>

See Paragraph on Other Information Included in Independent Auditor's Report

## **INTERNAL SERVICE FUNDS**

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Village has established its risk management activities for general liability, workers' compensation and unemployment benefits in an internal service fund.

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF FUND NET POSITION  
INTERNAL SERVICE FUND - RISK RETENTION FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and cash equivalents - unrestricted	\$ 3,378,439	\$ 3,499,028
Accounts receivable, net	137,250	100,560
Prepaid expenses	253,459	157,531
<b>TOTAL ASSETS</b>	<u><u>\$ 3,769,148</u></u>	<u><u>\$ 3,757,119</u></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 138,607	\$ 71,011
Claims payable	1,631,375	1,769,502
<b>Total Current Liabilities</b>	<u>1,769,982</u>	<u>1,840,513</u>
<b>Non-Current Liabilities</b>		
Claims payable	1,999,166	1,916,606
<b>Total Non-Current Liabilities</b>	<u>1,999,166</u>	<u>1,916,606</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 3,769,148</u></u>	<u><u>\$ 3,757,119</u></u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUND - RISK RETENTION FUND**  
**FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>		
Charges for services		
Risk management	\$ 2,108,119	\$ 2,236,968
Total operating revenues	<u>2,108,119</u>	<u>2,236,968</u>
<b>OPERATING EXPENSES</b>		
General and administrative	441,624	317,924
Employee benefits	866,692	991,728
Insurance	198,858	177,826
Judgments and claims	610,034	759,530
Total operating expenses	<u>2,117,208</u>	<u>2,247,008</u>
Operating income (loss)	<u>(9,089)</u>	<u>(10,040)</u>
<b>NON-OPERATING INCOME</b>		
Interest income	9,089	10,040
Total non-operating income	<u>9,089</u>	<u>10,040</u>
<b>CHANGE IN NET POSITION</b>	-	-
<b>TOTAL NET POSITION - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>
<b>TOTAL NET POSITION (DEFICIT)- END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND - RISK RETENTION FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Revenue collected:		
Cash received from charges for services	\$ 2,108,119	\$ 2,236,968
Cash received from insurance recoveries	(36,690)	10,396
Payments for expenses		
Cash payments to insurance carriers and claimants	(1,334,415)	(632,935)
Cash payments to employees for services and related expenses	(866,692)	(991,728)
Internal activity-payments (to) from other funds for expense reimbursements	-	(12,524)
Net Cash Provided by Operating Activities	<u>(129,678)</u>	<u>610,177</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and rental income	<u>9,089</u>	<u>10,040</u>
Net Cash Provided by Investing Activities	<u>9,089</u>	<u>10,040</u>
Net Increase in Cash and Cash Equivalents	(120,589)	620,217
Cash and Cash Equivalents at Beginning of Year	<u>3,499,028</u>	<u>2,878,811</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,378,439</u>	<u>\$ 3,499,028</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (9,089)	\$ (10,040)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Change in operating assets and liabilities:		
Decrease (Increase) in:		
Accounts receivable	(36,690)	10,396
Due from other funds	-	316
Prepaid expenses	(95,928)	(20,094)
Increase (Decrease) in:		
Accounts payable	67,596	(48,816)
Due to other funds	-	(12,840)
Claims payable	(55,567)	691,255
Net Cash Provided by Operating Activities	<u>\$ (129,678)</u>	<u>\$ 610,177</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**FIDUCIARY  
FUND**

The Fiduciary Funds are used to account for assets held by the Village in a trustee or custodial capacity.

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash	\$ 591,047	\$ 571,669
Accounts receivable	23,187	2,755
<b>TOTAL ASSETS</b>	<u>\$ 614,234</u>	<u>\$ 574,424</u>
 <b>LIABILITIES</b>		
Accounts payable	\$ 17,790	\$ 11,466
Due to governmental funds	124,470	109,838
Deposits	71,222	93,382
Other liabilities	400,752	359,738
<b>TOTAL LIABILITIES</b>	<u>\$ 614,234</u>	<u>\$ 574,424</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE FISCAL YEAR ENDED MAY 31, 2015**

	Balance June 1, 2014	Increases	Decreases	Balance May 31, 2015
<b>ASSETS</b>				
Cash	\$ 571,669	\$ 17,927,265	\$ 17,907,887	\$ 591,047
Accounts receivable	2,755	23,187	2,755	23,187
<b>TOTAL ASSETS</b>	<u>\$ 574,424</u>	<u>\$ 17,950,452</u>	<u>\$ 17,910,642</u>	<u>\$ 614,234</u>
<b>LIABILITIES</b>				
Accounts payable and due to governmental funds	\$ 121,304	\$ 142,260	\$ 121,304	\$ 142,260
Deposits and liabilities	453,120	8,112,660	8,093,806	471,974
<b>TOTAL LIABILITIES</b>	<u>\$ 574,424</u>	<u>\$ 8,254,920</u>	<u>\$ 8,215,110</u>	<u>\$ 614,234</u>

See Paragraph on Other Information Included in Independent Auditor's Report



**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUND  
MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Investments, mutual funds, at fair value	\$ 3,665,566	\$ 3,192,832
<b>TOTAL ASSETS</b>	<u>\$ 3,665,566</u>	<u>\$ 3,192,832</u>
 <b>TOTAL LIABILITIES</b>	 <u>-</u>	 <u>-</u>
 <b>NET POSITION</b>		
Held in trust for pension benefits	<u>\$ 3,665,566</u>	<u>\$ 3,192,832</u>

See Paragraph on Other Information Included in Independent Auditor's Report

**THE INCORPORATED VILLAGE OF ROCKVILLE CENTRE  
COMPARATIVE STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION TRUST FUND  
FOR THE FISCAL YEARS ENDED MAY 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>ADDITIONS</b>		
Pension contributions	\$ 235,900	\$ -
Interest and net change in fair value of investments	<u>286,075</u>	<u>376,014</u>
<b>TOTAL ADDITIONS</b>	<u>521,975</u>	<u>376,014</u>
<b>DEDUCTIONS</b>		
Pension benefits	<u>49,241</u>	<u>65,276</u>
<b>TOTAL DEDUCTIONS</b>	<u>49,241</u>	<u>65,276</u>
<b>CHANGE IN NET POSITION</b>	472,734	310,738
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>3,192,832</u>	<u>2,882,094</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 3,665,566</u>	<u>\$ 3,192,832</u>

See Paragraph on Other Information Included in Independent Auditor's Report

STATISTICAL SECTION  
(UNAUDITED)

## Financial Trends

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

Net Assets by Component

Changes in Net Assets

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

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VILLAGE OF ROCKVILLE CENTRE, NEW YORK

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009
Governmental Activities:				
Net Investment in Capital Assets	\$ 12,522,151	\$ 13,061,584	\$ 14,242,455	\$ 14,400,331
Restricted	1,195,054	1,338,727	1,572,930	1,047,130
Unrestricted	<u>(10,307,961)</u>	<u>(11,458,546)</u>	<u>(12,070,548)</u>	<u>(16,142,349)</u>
Total Governmental Activities				
Net Position	<u>\$ 3,409,244</u>	<u>\$ 2,941,765</u>	<u>\$ 3,744,837</u>	<u>\$ (694,888)</u>
Business - Type Activities:				
Net Investment in Capital Assets	\$ 25,408,433	\$ 28,150,791	\$ 30,429,351	\$ 30,313,062
Unrestricted	<u>10,496,832</u>	<u>8,996,162</u>	<u>8,030,494</u>	<u>8,348,216</u>
Total Business - Type Activities				
Net Position	<u>\$ 35,905,265</u>	<u>\$ 37,146,953</u>	<u>\$ 38,459,845</u>	<u>\$ 38,661,278</u>
Primary Government:				
Net Investment in Capital Assets	\$ 37,930,584	\$ 41,212,375	\$ 44,671,806	\$ 44,713,393
Restricted	1,195,054	1,338,727	1,572,930	1,047,130
Unrestricted	<u>188,871</u>	<u>(2,462,384)</u>	<u>(4,040,054)</u>	<u>(7,794,133)</u>
Total Primary Government				
Net Position	<u>\$ 39,314,509</u>	<u>\$ 40,088,718</u>	<u>\$ 42,204,682</u>	<u>\$ 37,966,390</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 15,674,718	\$ 16,481,875	\$ 17,285,645	\$ 19,807,710	\$ 20,330,836	\$ 22,233,324
834,391	1,148,224	2,935,619	6,396,110	1,633,122	2,880,887
<u>(17,735,372)</u>	<u>(20,551,554)</u>	<u>(24,888,529)</u>	<u>(34,326,281)</u>	<u>(32,775,856)</u>	<u>(36,245,164)</u>
<u>\$ (1,226,263)</u>	<u>\$ (2,921,455)</u>	<u>\$ (4,667,265)</u>	<u>\$ (8,122,461)</u>	<u>\$ (10,811,898)</u>	<u>\$ (11,130,953)</u>
\$ 31,347,392	\$ 29,196,964	\$ 33,080,493	\$ 30,840,007	\$ 34,143,448	\$ 35,702,976
<u>6,502,072</u>	<u>9,576,994</u>	<u>5,042,632</u>	<u>9,213,586</u>	<u>7,070,550</u>	<u>6,523,004</u>
<u>\$ 37,849,464</u>	<u>\$ 38,773,958</u>	<u>\$ 38,123,125</u>	<u>\$ 40,053,593</u>	<u>\$ 41,213,998</u>	<u>\$ 42,225,980</u>
\$ 47,022,110	\$ 45,678,839	\$ 50,366,138	\$ 50,647,717	\$ 54,474,284	\$ 57,936,300
834,391	1,148,224	2,935,619	6,396,110	1,633,122	2,880,887
<u>(11,233,300)</u>	<u>(10,974,560)</u>	<u>(19,845,897)</u>	<u>(25,112,695)</u>	<u>(25,705,306)</u>	<u>(29,722,160)</u>
<u>\$ 36,623,201</u>	<u>\$ 35,852,503</u>	<u>\$ 33,455,860</u>	<u>\$ 31,931,132</u>	<u>\$ 30,402,100</u>	<u>\$ 31,095,027</u>

## VILLAGE OF ROCKVILLE CENTRE, NEW YORK

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009
Expenses				
Governmental Activities:				
General government support	\$ 6,505,133	\$ 7,963,945	\$ 6,584,854	\$ 8,201,471
Public safety	12,190,338	12,217,770	13,003,151	15,426,692
Health	93,397	91,837	99,943	101,518
Transportation	3,877,195	4,055,973	3,823,541	4,733,194
Economic opportunity and development	2,575,808	2,549,911	2,781,369	3,155,903
Culture and recreation	4,074,521	3,870,521	3,712,100	4,366,688
Home and community services	889,888	1,262,239	805,896	1,174,858
Interest	677,650	720,974	781,711	724,785
Total Governmental Activities Expenses	30,883,930	32,733,170	31,592,565	37,885,109
Business-type Activities -				
Water Fund	3,727,690	3,977,764	4,052,408	4,052,818
Electric Fund	24,436,286	22,430,800	23,824,975	24,752,407
Total Business-type Activities Expenses	28,163,976	26,408,564	27,877,383	28,795,225
Total Primary Government Expenses	\$ 59,047,906	\$ 59,141,734	\$ 59,469,948	\$ 66,680,334
Program Revenues				
Governmental Activities:				
Charges for Services				
General government support	670,687	701,886	771,605	734,960
Public safety	2,623,097	3,143,732	3,154,058	3,219,049
Health	—	—	—	—
Transportation	—	—	—	—
Economic opportunity and development	—	15,142	51,487	27,592
Culture and recreation	1,617,873	1,596,022	1,571,669	1,701,582
Home and community services	1,571,484	1,270,664	1,082,212	1,056,733
Operating Grants and Contributions	3,138,615	3,507,548	3,596,159	3,608,338
Capital Grants and Contributions	365,946	440,308	629,732	435,586
Total Governmental Activities Program Revenues	9,987,702	10,675,302	10,856,922	10,783,840
Business-type Activities -				
Charges for Services -				
Water Fund	3,758,036	3,895,700	4,283,067	4,470,886
Electric Fund	25,677,550	23,127,102	24,410,566	24,093,246
Total Business-type of Activities Charges for Services	29,435,586	27,022,802	28,693,633	28,564,132
Total Primary Government Program Revenues	\$ 39,423,288	\$ 37,698,104	\$ 39,550,555	\$ 39,347,972
Net Expense/Revenue:				
Governmental Activities	(20,896,228)	(22,057,868)	(20,735,643)	(27,101,269)
Business-type Activities	1,271,610	614,238	816,250	(231,093)
Total Primary Government Net Expense	\$ (19,624,618)	\$ (21,443,630)	\$ (19,919,393)	\$ (27,332,362)



	2010	2011	2012	2013	2014	2015
\$	8,314,641	\$ 8,469,161	\$ 8,539,937	\$ 8,654,213	\$ 8,213,879	\$ 8,316,220
	16,243,134	16,610,286	19,936,129	20,986,818	20,949,004	21,259,003
	108,102	120,511	131,384	137,754	143,514	56,349
	4,276,234	4,753,629	4,343,416	5,132,651	5,497,651	5,286,167
	3,279,755	3,113,874	3,207,824	3,070,759	3,022,159	2,803,056
	4,215,099	4,487,166	4,631,510	5,267,127	5,199,941	4,888,405
	4,753,334	5,268,994	5,130,168	5,349,326	5,229,599	4,940,809
	704,635	707,013	693,479	549,733	661,191	686,693
	41,894,934	43,530,634	46,613,847	49,148,381	48,916,938	48,236,702
	4,217,932	4,355,918	4,405,219	4,596,175	5,129,614	4,827,391
	20,474,953	23,341,173	23,737,808	25,717,510	26,347,523	24,312,369
	24,692,885	27,697,091	28,143,027	30,313,685	31,477,137	29,139,760
\$	<u>66,587,819</u>	\$ <u>71,227,725</u>	\$ <u>74,756,874</u>	\$ <u>79,462,066</u>	\$ <u>80,394,075</u>	\$ <u>77,376,462</u>
	5,621,278	5,325,857	5,652,857	5,782,301	5,799,955	5,308,143
	3,059,124	3,631,549	3,662,888	3,806,803	3,722,235	3,792,973
	—	—	—	—	—	69,230
	—	—	—	—	—	—
	48,319	102,095	132,799	99,441	89,298	112,485
	1,729,606	1,868,402	1,845,790	1,884,258	1,988,695	1,928,304
	2,435,550	991,358	1,105,308	1,148,909	1,370,807	1,575,273
	3,842,428	3,980,358	3,433,207	3,636,438	3,300,654	3,669,389
	812,417	234,603	2,866,480	1,494,411	1,143,138	1,434,560
	17,548,722	16,134,222	18,699,329	17,852,561	17,414,782	17,890,357
	4,876,652	5,497,100	5,253,542	5,407,306	5,308,088	5,099,967
	18,599,062	22,932,822	22,356,874	26,117,999	27,243,924	24,950,749
	23,475,714	28,429,922	27,610,416	31,525,305	32,552,012	30,050,716
\$	<u>41,024,436</u>	\$ <u>44,564,144</u>	\$ <u>46,309,745</u>	\$ <u>49,377,866</u>	\$ <u>49,966,794</u>	\$ <u>47,941,073</u>
	(24,346,212)	(27,396,412)	(27,914,518)	(31,295,820)	(31,502,156)	(30,346,345)
	(1,217,171)	732,831	(532,611)	1,211,620	1,074,875	910,956
\$	<u>(25,563,383)</u>	\$ <u>(26,663,581)</u>	\$ <u>(28,447,129)</u>	\$ <u>(30,084,200)</u>	\$ <u>(30,427,281)</u>	\$ <u>(29,435,389)</u>

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

CHANGES IN NET POSITION (Continued)  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009
General Revenues				
Governmental Activities:				
Taxes				
Real Property Taxes	\$ 17,420,117	\$ 18,233,871	\$ 19,043,540	\$ 20,805,457
Other Tax Items	354,970	373,996	438,878	463,657
Non-property Taxes	85,401	68,320	68,320	—
Unrestricted Use of Money				
and Property	236,727	315,715	271,532	92,916
Unrestricted State and Federal Aid	1,742,774	1,718,605	1,406,881	978,686
Miscellaneous	479,607	879,882	309,564	320,828
Total Governmental Activities	\$ 20,319,596	\$ 21,590,389	\$ 21,538,715	\$ 22,661,544
Business-type Activities:				
Unrestricted Use of Money				
and Property	283,261	627,450	496,642	432,526
Rental Income	—	—	—	—
Total Business Type Activities	283,261	627,450	496,642	432,526
Total Primary Government				
General Revenues	\$ 20,602,857	\$ 22,217,839	\$ 22,035,357	\$ 23,094,070
Change in Net Position				
Governmental Activities	(576,632)	(467,479)	803,072	(4,439,725)
Business-type Activities	1,554,871	1,241,688	1,312,892	201,433
Prior Period Adjustment	—	—	—	—
Total Primary Government	\$ 978,239	\$ 774,209	\$ 2,115,964	\$ (4,238,292)

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 21,747,928	\$ 23,093,713	\$ 23,847,540	\$ 25,318,497	\$ 26,129,571	\$ 27,312,754
584,191	538,026	604,914	685,808	811,969	906,877
79,105	119,808	92,407	89,834	99,526	82,143
944,179	813,340	732,897	789,228	812,711	761,799
<u>459,434</u>	<u>1,136,333</u>	<u>890,950</u>	<u>957,257</u>	<u>884,690</u>	<u>963,717</u>
\$ 23,814,837	\$ 25,701,220	\$ 26,168,708	\$ 27,840,624	\$ 28,738,467	\$ 30,027,290
405,357	191,663	47,321	48,616	85,530	101,026
<u>405,357</u>	<u>191,663</u>	<u>47,321</u>	<u>48,616</u>	<u>85,530</u>	<u>101,026</u>
\$ <u>24,220,194</u>	\$ <u>25,892,883</u>	\$ <u>26,216,029</u>	\$ <u>27,889,240</u>	\$ <u>28,823,997</u>	\$ <u>30,128,316</u>
(531,375)	(1,695,192)	(1,745,810)	(3,455,196)	(2,763,689)	(319,055)
(811,814)	924,494	(485,290)	1,260,236	1,160,405	1,011,982
<u>—</u>	<u>—</u>	<u>(165,543)</u>	<u>670,232</u>	<u>74,252</u>	<u>—</u>
\$ <u>(1,343,189)</u>	\$ <u>(770,698)</u>	\$ <u>(2,396,643)</u>	\$ <u>(1,524,728)</u>	\$ <u>(1,529,032)</u>	\$ <u>692,927</u>

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009
General Fund				
Reserved	\$ 1,186,503	\$ 910,398	\$ 596,372	\$ 636,105
Unreserved	2,283,475	2,017,941	1,088,902	1,131,515
Assigned	—	—	—	—
Unassigned	—	—	—	—
Restricted	—	—	—	—
Total General Fund	\$ 3,469,978	\$ 2,928,339	\$ 1,685,274	\$ 1,767,620
All Other Governmental Funds				
Reserved	\$ 1,391,156	\$ 337,458	\$ 206,211	\$ 177,427
Unreserved, Reported In:				
Special Revenue Funds	195,452	232,291	497,764	218,739
Capital Projects Fund	1,374,034	876,351	2,666,590	2,559,896
Debt Service Fund	50,000	50,403	25,000	—
Assigned	—	—	—	—
Restricted Reported In:				
Special Revenue Funds	—	—	—	—
Capital Projects Fund	—	—	—	—
Debt Service Fund	—	—	—	—
Total All Other Governmental Funds	\$ 3,010,642	\$ 1,496,503	\$ 3,395,565	\$ 2,956,062
Total Governmental Funds	\$ 6,480,620	\$ 4,424,842	\$ 5,080,839	\$ 4,723,682

Note: Fund Balances during 2006 through 2011 were recorded as reserved and unreserved

2010	2011	2012	2013	2014	2015
\$ 711,674	\$ 1,136,187	\$ —	\$ —	\$ —	\$ —
1,415,924	1,553,686	—	—	—	—
—	—	584,063	1,328,742	1,578,834	1,713,394
—	—	1,696,419	2,002,984	2,836,338	3,041,776
—	—	904,512	1,124,875	733,023	1,797,172
<u>\$ 2,127,598</u>	<u>\$ 2,689,873</u>	<u>\$ 3,184,994</u>	<u>\$ 4,456,601</u>	<u>\$ 5,148,195</u>	<u>\$ 6,552,342</u>
\$ 2,015,689	\$ 2,531,161	\$ —	\$ —	\$ —	\$ —
485,507	776,384	—	—	—	—
3,611,437	4,063,179	—	—	—	—
—	—	—	—	—	—
—	—	985,233	757,145	540,299	1,029,662
—	—	638,554	583,631	419,920	322,293
—	—	4,089,951	4,481,923	8,731,479	10,150,620
—	—	121,553	205,681	181,309	280,812
<u>\$ 6,112,633</u>	<u>\$ 7,370,724</u>	<u>\$ 5,835,291</u>	<u>\$ 6,028,380</u>	<u>\$ 9,873,007</u>	<u>\$ 11,783,387</u>
<u>\$ 8,240,231</u>	<u>\$ 10,060,597</u>	<u>\$ 9,020,285</u>	<u>\$ 10,484,981</u>	<u>\$ 15,021,202</u>	<u>\$ 18,335,729</u>

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010
<b>Revenues</b>					
Real property taxes	\$ 17,420,117	\$ 18,233,871	\$ 19,043,540	\$ 20,805,457	\$ 21,747,928
Other tax items	354,970	373,996	438,878	463,657	584,191
Non-property taxes	85,401	68,320	68,320	-	-
Departmental income	3,869,036	4,093,251	4,271,160	4,487,246	4,488,947
Use of money and property	337,211	475,846	447,309	180,724	173,479
Licenses and permits	1,388,949	1,050,501	867,043	799,061	2,349,592
Fines and forfeitures	1,189,956	1,543,494	1,453,778	1,420,259	1,253,500
Sale of property and compensation for loss	31,497	182,092	136,216	90,072	164,645
Intergovernmental charges	3,780,243	3,848,915	4,112,448	4,519,876	4,805,538
State aid	2,118,952	2,215,655	2,128,477	1,561,083	1,558,659
Federal aid	2,905,288	2,976,889	3,220,040	3,303,865	3,670,285
Miscellaneous	319,770	671,996	320,876	333,960	606,795
<b>Total Revenues</b>	<b>33,801,390</b>	<b>35,734,826</b>	<b>36,508,085</b>	<b>37,965,260</b>	<b>41,363,559</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government support	4,973,309	5,824,961	5,763,173	5,736,956	6,558,335
Public safety	8,867,771	9,268,067	9,520,951	9,654,708	11,363,108
Health	43,160	44,506	46,924	47,559	50,742
Transportation	2,152,789	2,171,955	2,179,317	2,309,386	2,172,396
Economic opportunity and development	87,401	2,549,911	2,781,369	3,131,708	3,254,368
Culture and recreation	3,152,985	2,998,696	3,270,111	3,009,600	3,056,151
Home and community services	6,404,592	4,201,873	4,021,904	4,379,635	3,554,164
Employee benefits	6,183,603	6,281,027	6,515,284	6,911,321	7,173,551
<b>Debt Service:</b>					
Principal	1,770,600	1,706,800	1,844,000	2,153,100	2,170,000
Interest	677,667	657,235	739,026	859,823	665,688
Refunding bond issuance costs	-	-	-	35,566	-
<b>Capital Outlay</b>	<b>3,713,291</b>	<b>3,201,012</b>	<b>3,887,759</b>	<b>953,621</b>	<b>2,123,507</b>
<b>Total Expenditures</b>	<b>38,027,168</b>	<b>38,906,043</b>	<b>40,569,818</b>	<b>39,182,983</b>	<b>42,142,010</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(4,225,778)</b>	<b>(3,171,217)</b>	<b>(4,061,733)</b>	<b>(1,217,723)</b>	<b>(778,451)</b>
<b>Other Financing Sources (Uses)</b>					
Refunding bonds issued	-	-	-	2,256,000	-
Issuance premium	-	-	-	68,660	-
Payment to refunded bond escrow agent	-	-	-	(2,289,094)	-
Bonds issued	2,170,000	3,240,000	4,720,000	825,000	4,295,000
Transfers in	2,402,091	2,318,862	2,334,035	3,255,340	2,855,388
Transfers out	(2,402,091)	(2,318,862)	(2,334,035)	(3,255,340)	(2,855,388)
<b>Total Other Financing Sources</b>	<b>2,170,000</b>	<b>3,240,000</b>	<b>4,720,000</b>	<b>860,566</b>	<b>4,295,000</b>
<b>Change in Accounting Principle</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ (2,055,778)</b>	<b>\$ 68,783</b>	<b>\$ 658,267</b>	<b>\$ (357,157)</b>	<b>\$ 3,516,549</b>

Debt Service as a Percentage of Non-Capital Expenditures	7.2%	6.7%	7.2%	8.1%	7.1%
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	2011	2012	2013	2014	2015
\$	23,093,713	\$ 23,847,540	\$ 25,318,497	\$ 26,129,571	\$ 27,312,754
	538,026	604,914	685,808	811,969	906,877
	-	-	-	-	-
	4,276,902	4,318,266	4,557,897	4,739,471	4,796,768
	182,174	138,278	185,462	145,876	127,443
	970,761	1,290,007	1,310,731	1,557,488	1,736,837
	1,562,159	1,569,642	1,483,819	1,299,847	1,308,490
	172,362	107,023	84,858	77,282	104,280
	5,048,939	5,170,758	5,324,065	5,327,832	4,829,783
	1,181,483	2,252,653	1,201,134	1,367,590	1,902,842
	3,672,590	3,218,760	3,416,372	3,114,372	3,393,726
	1,136,333	2,350,196	2,174,339	1,581,949	1,497,847
	<u>41,835,442</u>	<u>44,868,037</u>	<u>45,742,982</u>	<u>46,153,247</u>	<u>47,917,647</u>
	6,299,867	5,868,186	5,654,447	5,344,680	6,079,330
	10,702,894	11,550,625	11,836,117	12,503,350	12,435,766
	50,753	51,366	51,526	53,009	53,176
	2,458,711	1,907,273	2,293,896	2,636,430	2,708,131
	3,092,970	3,184,890	3,045,501	2,985,922	2,776,168
	2,985,124	2,912,334	3,331,478	3,383,754	3,203,339
	3,893,474	3,621,599	3,662,676	3,658,882	3,438,064
	7,979,192	9,368,991	10,192,435	11,101,839	10,712,215
	2,504,000	2,587,000	2,336,000	2,459,500	2,895,000
	697,976	712,355	516,601	605,980	769,019
	-	-	-	-	-
	3,065,115	4,143,730	3,837,609	3,464,519	8,383,778
	<u>43,730,076</u>	<u>45,908,349</u>	<u>46,758,286</u>	<u>48,197,865</u>	<u>53,453,986</u>
	<u>(1,894,634)</u>	<u>(1,040,312)</u>	<u>(1,015,304)</u>	<u>(2,044,618)</u>	<u>(5,536,339)</u>
	-	-	7,157,310	-	-
	-	-	-	33,808	90,866
	-	-	(7,157,310)	-	-
	3,715,000	-	2,480,000	7,935,000	8,760,000
	3,204,502	3,199,935	2,894,798	3,000,907	3,738,732
	<u>(3,204,502)</u>	<u>(3,199,935)</u>	<u>(2,894,798)</u>	<u>(3,000,907)</u>	<u>(3,738,732)</u>
	<u>3,715,000</u>	<u>-</u>	<u>2,480,000</u>	<u>7,968,808</u>	<u>8,850,866</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>1,820,366</u>	<u>\$ (1,040,312)</u>	<u>\$ 1,464,696</u>	<u>\$ 5,924,190</u>	<u>\$ 3,314,527</u>

8.0%

7.9%

6.6%

6.9%

8.1%

## Revenue Capacity

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

Assessed Value and Estimated Actual Value  
of Taxable Property

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

Principal Taxpayers

Property Tax Levies and Collections



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VILLAGE OF ROCKVILLE CENTRE, NEW YORK

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial, Large Multi-Family & Vacant Land	Special Franchise	Total Taxable Assessed Value
2006	\$ 46,499,355	\$ 18,418,046	\$ 853,729	\$ 65,771,130
2007	46,888,237	17,988,924	819,272	65,696,433
2008	46,382,066	17,998,290	828,320	65,208,676
2009	46,602,548	16,407,531	785,726	63,795,805
2010	46,636,165	15,996,175	775,545	63,407,885
2011	46,385,821	15,120,687	744,655	62,251,163
2012	46,218,874	14,210,370	776,729	61,205,973
2013	46,184,170	13,496,877	784,391	60,465,438
2014	46,172,433	13,042,224	763,692	59,978,349
2015	46,233,130	12,682,680	787,941	59,703,751

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

State Special Equalization Rate (2)	Estimated Actual Taxable Value	Direct Tax Rate	
		Village Rate	Total
1.63 %	\$ 4,035,038,650	\$ 267.8000	\$ 267.8000
1.55	4,238,479,548	282.8000	282.8000
1.38	4,725,266,377	299.5000	299.5000
1.27	5,023,291,732	329.2000	329.2000
1.24	5,113,539,113	348.6000	348.6000
1.24	5,020,255,081	376.3000	376.3000
1.42	4,310,279,789	394.7000	394.7000
1.41	4,288,328,936	421.4000	421.4000
1.48	4,052,591,149	439.1000	439.1000
1.53	3,902,205,948	458.6000	458.6000

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

DIRECT AND OVERLAPPING PROPERTY TAX RATES,  
PER \$1,000 OF ASSESSED VALUATION  
LAST TEN FISCAL YEARS

Fiscal Year	Total Direct Rate (1)	Overlapping Rates		
		Nassau County(2)	Town of Hempstead(2)	School & Library District(2)
2006	\$ 267.8000	\$ 482.2400	\$ 30.6800	\$ 2,918.0300
2007	282.8000	847.3000	52.3900	5,369.8400
2008	299.5000	819.0300	49.5900	5,356.3600
2009	329.2000	826.1800	49.5900	5,424.3800
2010	348.6000	840.1700	49.5900	5,625.6400
2011	376.3000	963.7200	58.5400	6,839.0700
2012	394.7000	1,006.4800	61.6500	7,571.3100
2013	421.4000	1,127.1100	91.4100	8,377.7300
2014	439.1000	1,236.7100	128.1200	9,119.7400
2015	458.6000	1,275.3100	169.3500	9,636.5000

Note : Property tax rates are per \$1,000 of assessed value.

(1) The Village utilizes a single tax rate

(2) Class one rates

Source: Comptroller's Office

## VILLAGE OF ROCKVILLE CENTRE, NEW YORK

PRINCIPAL TAXPAYERS  
MAY 31, 2015 AND 2006

2015				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	National Grid	Utility	\$ 846,288	1.42 %
2	Public Storage Inc	Manufacturing	336,019	0.56
3	100 Merrick Rd. LLC	Office Building	250,291	0.42
4	Rockville Centre Associates	Professional Building	240,000	0.40
5	Centro Heritage	Shopping Center	160,872	0.27
6	HCRI NY-NJ Properties	Professional Building	160,000	0.27
7	MJER 2000	Hotel	156,830	0.26
8	Eldan	Office Building	155,448	0.26
9	Rockville Centre Medical	Professional Building	155,000	0.26
10	Sunoco Properties	Shopping Center	154,284	0.26
	Total		<u>\$ 2,615,032</u>	<u>4.38 %</u>
2006				
Rank	Taxpayer	Type of Business	Net Assessed Valuation	Percent of Taxable Assessed Valuation
1	Keyspan	Public Service	\$ 631,378	0.96 %
2	Halandia Associates	Apartments	480,460	0.73
3	Darby Group Co., Inc.	Manufacturing	401,560	0.61
4	RC Land - Maplepoint	Apartments	368,155	0.56
5	Rockville Centre Assoc.	Professional Building	359,937	0.55
6	100 Merrick Rd. LLC.	Office Building	349,905	0.53
7	Land Enterprises	Motel-Holiday Inn	328,666	0.50
8	King Kullen Grocery	Supermarket	317,973	0.48
9	Verizon	Telephone Utility	285,986	0.43
10	Storage Quarters, Inc.	Storage Facility	264,091	0.40
	Total		<u>\$ 3,788,111</u>	<u>5.75 %</u>

Source: Village of Rockville Centre 2006 and 2015 Assessment Roll.

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 17,791,040	\$ 17,791,040	(2) 100.00 %	—	\$ 17,791,040	100.00 %
2007	18,761,630	18,761,630	100.00	—	18,761,630	100.00
2008	19,761,301	19,761,196	99.99	—	19,761,196	99.99
2009	21,178,851	21,178,670	99.99	—	21,178,670	99.99
2010	22,231,806	22,231,123	99.99	—	22,231,123	99.99
2011	23,601,467	23,600,863	99.99	—	23,600,863	99.99
2012	24,350,190	24,338,106	99.95	—	24,338,106	99.95
2013	25,722,823	25,721,926	99.99	—	25,721,926	99.99
2014	26,530,768	26,529,866	99.99	—	26,529,866	99.99
2015	27,604,544	27,602,933	99.99	—	27,602,933	99.99

(1) Real Estate Taxes include water rents, sewer rents, cancellation of veterans and senior exemptions, sidewalk and curb, and emergency tenant protection.

(2) Not adjusted for tax certiorari refunds

Source: Comptroller's Office

## Debt Capacity

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

Ratios of Outstanding Debt by Type

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information

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VILLAGE OF ROCKVILLE CENTRE, NEW YORK

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

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Fiscal Year	Governmental Activities		
	General Obligation Bonds	Less Debt Service Funds Available	Net
2006	\$ 15,013,800	\$ 143,565	\$ 14,870,235
2007	16,547,000	221,161	16,325,839
2008	19,423,000	106,682	19,316,318
2009	18,130,500	56,388	18,074,112
2010	20,255,500	133,159	20,122,341
2011	21,466,500	188,294	21,278,206
2012	18,879,500	121,553	18,757,947
2013	18,784,500	205,681	18,578,819
2014	24,260,000	181,309	24,078,691
2015	30,125,000	280,812	29,844,188

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

(2) - General obligation bond amounts excludes premium amount that totalled \$771,575 in Governmental Activities and \$665,086 in Business-Type Activities during Fiscal Year 2015

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

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Business-Type Activities

<u>General Obligation Bonds</u>	<u>Total Primary Government General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
16,391,200	\$ 31,405,000	0.77 %	3.14 %	\$ 1,278.29
16,458,000	33,005,000	0.77	3.30	1,343.41
16,927,000	36,350,000	0.77	3.63	1,479.57
17,309,500	35,440,000	0.71	3.54	1,442.53
17,819,500	38,075,000	0.74	3.80	1,549.78
19,508,500	40,975,000	0.82	4.09	1,667.82
17,645,500	36,525,000	0.85	2.85	1,520.42
21,305,500	40,090,000	0.93	3.12	1,668.82
19,465,000	43,725,000	1.08	3.41	1,820.13
22,965,000	53,090,000	1.36	4.14	2,209.97

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
MAY 31, 2015

<u>Government Unit</u>	<u>Net Indebtedness</u>	<u>Percentage Applicable to Rockville Centre</u>	<u>Amount Applicable to Rockville Centre</u>
County of Nassau	\$ 4,002,661,018	2.0 %	\$ 80,053,220
Town of Hempstead	338,663,999	5.1	17,271,863
Rockville Centre UFSD	12,997,133	89.6	11,645,431
East Rockaway UFSD	16,342,000	0.5	81,710
Baldwin UFSD	26,241,510	0.7	183,690
Hempstead UFSD	24,715,000	0.3	74,145
Oceanside UFSD	24,609,828	1.7	418,367
Malverne UFSD	15,741,639	1.3	204,641
Net Overlapping Debt (1)			109,933,067
Net Direct Debt (2) & (3)			30,125,000
Net Direct and Overlapping Debt			<u>\$ 140,058,067</u>

(1) Calculated utilizing a ratio of assessed property in the Village subject to taxation by Governmental Unit to the total assessed value of property of the Governmental Unit

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

(3) Represents governmental activities debt only

(4) Net Direct Debt excludes premium amount of \$771,575

Source: NYS Comptroller's Special Report on Municipal Affairs Ending in 2012

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VILLAGE OF ROCKVILLE CENTRE, NEW YORK

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	2006	2007	2,008	2009
Debt Limit	\$ 221,246,957	\$ 247,432,832	\$ 276,706,232	\$ 304,886,730
Total Net Debt Applicable to Limit	12,615,228	14,228,160	16,889,974	16,428,543
Legal Debt Margin	<u>\$ 208,631,729</u>	<u>\$ 233,204,672</u>	<u>\$ 259,816,258</u>	<u>\$ 288,458,187</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.70%	5.75%	6.10%	5.39%

Legal Debt Margin Calculation for Fiscal Year 2015

Year	Budget Year	Assessed Valuation	State Special Equalization Ratio	Full Valuation
2014	2015	\$ 59,703,751	1.53 %	\$ 3,902,205,948
2013	2014	59,978,349	1.48	4,052,591,149
2012	2013	60,465,438	1.41	4,288,328,936
2011	2012	61,205,973	1.42	4,310,279,789
2010	2011	62,251,163	1.24	5,020,255,081
Total Five Year Full Valuation				<u>\$ 21,573,660,903</u>
Five Year Average Full Valuation of Taxable Real Property				<u>4,314,732,181</u>
Debt Limit - 7% of Five Year Average Full Valuation				<u>302,031,253</u>
Outstanding Village Debt - Serial Bonds				43,725,000 102,000
Less - Appropriations in 2015 Budget Business Type Debt <sup>1</sup>				2,929,000 <u>19,465,000</u>
Net Indebtedness Subject to Debt Limit				<u>21,433,000</u>
Net Debt Contracting Margin				<u>\$ 280,598,253</u>

<sup>1</sup>The Village of Rockville Centre does not file to gain exclusion of business type debt from the legal debt limit

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 323,898,616	\$ 337,691,646	\$ 338,696,849	\$ 332,579,725	\$ 318,989,917	\$ 302,031,253
<u>15,293,319</u>	<u>17,050,998</u>	<u>18,879,500</u>	<u>16,679,500</u>	<u>16,527,000</u>	<u>21,433,000</u>
<u>\$ 308,605,297</u>	<u>\$ 320,640,648</u>	<u>\$ 319,817,349</u>	<u>\$ 315,900,225</u>	<u>\$ 302,462,917</u>	<u>\$ 280,598,253</u>
4.72%	5.05%	5.57%	5.02%	5.18%	7.10%

## Demographic and Economic Information

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

### Demographic Statistics

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year Ended May 31,	Population (1)	Personal Income	Per Capita Income (1)	Village Unemployment Rate (2)	Town Unemployment Rate (2)	County Unemployment Rate (2)
2006	24,568	\$ 1,000,875,752	\$ 40,739	3.50 %	4.00 %	3.90 %
2007	24,568	1,000,875,752	40,739	3.00	3.50	3.40
2008	24,568	1,000,875,752	40,739	4.10	4.70	4.50
2009	24,568	1,000,875,752	40,739	6.30	7.10	6.90
2010	24,568	1,000,875,752	40,739	6.00	7.10	6.90
2011	24,568	1,000,875,752	40,739	5.30	6.70	6.50
2012	24,023	1,283,236,591	53,417	5.80	7.30	7.00
2013	24,023	1,283,236,591	53,417	5.90	6.10	5.80
2014	24,023	1,283,236,591	53,417	4.30	4.90	4.70
2015	24,023	1,283,236,591	53,417	4.20	4.50	4.30

Sources:

2000 U.S. Census (2004-2011) and 2010 U.S. Census (2012-2014)

(2) New York State Department of Labor



## Operating Information

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

Principal Employers

Full-Time Equivalent Village Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

<u>EMPLOYER</u>	2015	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Mercy Hospital	954	8.28 %
RVC Union Free School District	840	7.29
Better Home Healthcare	545	4.73
Molloy College	502	4.36
Orlin & Cohen	365	3.17
Inc. Village of Rockville Centre	218	1.89
Nassau Inter-County Express	158	1.37
Diocese of Rockville Centre	127	1.10
Karp Volvo	112	0.97
Rockville Centre Nursing Home	96	0.83
U.S Post Office	48	0.42
TOTAL	<u>3,965</u>	<u>34.41 %</u>

<u>EMPLOYER</u>	2006	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Mercy Hospital	1,598	12.76 %
RVC Union Free School District	850	6.79
Molloy College	652	5.21
Inc. Village of Rockville Centre	374	2.99
Nassau Inter-County Express	187	1.49
Rockville Centre Nursing Home	175	1.40
Diocese of Rockville Centre	152	1.21
U.S Post Office	120	0.96
Karp Volvo/SAAB and Buick	95	0.76
Rockville Residence Manor	80	0.64
Able Ford/Infinity	75	0.60
Rockville Centre Public Library	68	0.54
TOTAL	<u>4,426</u>	<u>35.35 %</u>

Sources: Each major employer and The Bureau of Labor Statistics

Note: Based upon employment of 12,526 in 2006 and 11,519 in 2015

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

Function:	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	37	35	38
Public Safety	67	65	68
Transportation	20	18	18
Health	1	1	1
Culture and Recreation	19	23	20
Home and Community Services	<u>24</u>	<u>24</u>	<u>23</u>
Total	<u>168</u>	<u>166</u>	<u>168</u>

Source: Comptroller's Office

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<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
34	36	36	35	34	34	35
67	68	69	69	69	67	71
17	15	15	17	17	18	17
1	1	1	1	1	1	1
20	21	21	21	22	21	21
<u>23</u>	<u>22</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>
<u>162</u>	<u>163</u>	<u>163</u>	<u>164</u>	<u>164</u>	<u>162</u>	<u>166</u>

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

	2006	2007	2008
General Government Support:			
Village Assessor :			
Exemptions:			
Veterans	985	955	927
Senior	121	122	116
Disabled	5	6	6
Ministerial	1	2	1
Firefighter	91	91	98
Village Attorney :			
Notice of Claims filed	18	18	14
Village Comptroller:			
1099's Issued	149	163	167
Purchase Orders issued	1,817	1,849	1036
Claims paid	4,184	4,436	4605
Village Court:			
Tickets Resulting in Fines:			
Parking	35,432	40,512	39,236
Traffic	2,830	2,950	2,764
Appearance	102	123	97
Housing	150	145	222
Village Clerk:			
Birth Certificates	2,839	2,759	2,806
Death Certificates	6,098	5,999	5,497
Parking Permits Resident	3,692	3,819	3,853
Parking Permits Employees	1,693	1,756	1,408
Dog Licenses issued	215	229	208
Public Safety:			
Police Department:			
Physical arrests	354	N/A	306
Traffic Tickets	5,055	5,401	4,839
Parking Tickets	47,117	53,759	53,033
Burglaries	57	N/A	41
Alarms	2,349	N/A	2,207
Building Department:			
Building Permits issued	404	360	349
Certificate of Occupancy issued	177	202	21
Certificate of Completion issued	178	158	250
Planning/ Zoning Board:			
Planning Board cases	6	2	7
Zoning Board cases	38	37	44

2009	2010	2011	2012	2013	2014	2015
920	885	866	797	759	743	731
110	101	90	80	68	75	69
7	5	5	1	1	-	-
1	1	1	2	2	2	2
101	113	111	108	104	109	103
17	18	31	36	28	46	35
177	172	224	218	248	221	N/A
1269	1,495	1,671	1,774	2,153	2,099	2,150
4446	4,891	5,030	5,037	4,734	4,803	4,645
35,682	30,442	32,254	30,739	34,495	22,968	23,654
2,330	1,964	1,813	1,744	2,485	1,505	1,775
95	74	149	217	140	97	98
282	404	430	380	489	400	463
2,235	2,355	2,207	2,175	1,992	2,061	2,038
4,549	4,382	4,104	4,685	5,258	4,361	4,858
3,395	3,255	3,249	3,168	3,120	3,086	3,134
1,850	1,491	1,889	1,661	1,360	1,234	1,258
194	188	102	N/A	N/A	N/A	N/A
302	219	270	300	247	320	366
4,318	2,750	2,840	2,528	2,662	2,866	4,473
47,265	40,189	43,097	38,238	34,495	22,968	23,654
48	82	60	40	39	16	13
1,916	1,999	2,142	2,067	1,894	1,918	1,922
273	264	373	288	553	908	953
74	69	68	121	97	129	133
703	668	249	667	497	906	803
2	3	5	6	11	3	8
7	16	27	42	13	38	61

VILLAGE OF ROCKVILLE CENTRE, NEW YORK

OPERATING INDICATORS BY FUNCTION/PROGRAM (Continued)  
LAST TEN FISCAL YEARS

	2006	2007	2008
Department of Public Works:			
Total miles of roads resurfaced	2.34	2.39	2.87
Culture and Recreation:			
Recreation:			
Adult programs	18	19	20
Children programs	26	30	32
Pre-school classes	29	31	49
Open gyms	2	2	2
Special events	23	23	25
Home and Community Services:			
Fire Department:			
Medical Emergencies	1,446	N/A	1,076
Auto Accidents	188	N/A	106
Investigations	486	N/A	167
Senior Programs:			
Membership Sandel Senior Center	618	624	598
Refuse:			
Tons of Solid Waste	17,760	17,360	16,765
Tons of Bulky Waste	1,964	1,446	1,102
Total Tons of Solid and Bulky Waste	19,724	18,806	17,867
Sewer Department:			
Catch Basins Cleaned	82	90	85
Diffusion Wells Cleaned	6	5	4

Note: Refuse statistics are in tons.

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

Sources: Various Village departments

2009	2010	2011	2012	2013	2014	2015
—	.45	1.36	1.66	.60	.62	1.60
20	20	20	20	20	20	20
58	58	58	58	58	58	63
61	61	61	61	61	61	64
3	3	3	3	3	3	3
31	31	31	31	31	31	31
1,675	1,595	1,747	1,679	1,714	1,674	1,899
183	194	174	204	149	150	144
276	657	322	319	215	187	219
568	350	385	386	332	231	283
15,183	N/A	N/A	N/A	N/A	N/A	N/A
1,066	N/A	N/A	N/A	N/A	N/A	N/A
16,249	15,767	15,261	15,575	15,468	14,602	14,477
85	89	86	83	87	89	87
4	1	4	7	3	1	3



VILLAGE OF ROCKVILLE CENTRE, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

	2006	2007	2008
General Government Support:			
Number of general government buildings	5	5	5
Public Safety:			
Number of police stations	1	1	1
Number of fire stations	5	5	5
Patrol Sectors	5	5	5
Transportation:			
Number of street lights	3,467	3,475	3,478
Municipal parking fields	31	31	31
Off-street parking spaces	3,421	3,421	3,386
Culture and Recreation:			
Number of community centers	3	3	3
Number of parks	12	12	12
Acres of parks	229	229	229
Playgrounds	3	3	3
Baseball/softball diamonds	8	8	8
Outdoor tennis courts	5	5	5
Soccer fields	10	10	10
Basketball courts	9	9	9

Sources: Various Village departments

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
5	5	5	5	5	5	5
1	1	1	1	1	1	1
5	5	5	5	5	5	5
5	5	5	5	5	5	5
3,473	3476	3476	3500	3501	3513	3516
31	31	31	31	31	31	31
3,443	3443	3443	3441	3440	3440	3440
3	3	3	3	3	3	3
12	12	12	12	12	12	12
229	229	229	229	229	229	229
3	3	3	3	3	3	3
8	8	8	8	9	10	10
5	5	5	5	5	5	5
10	10	10	10	10	10	10
9	9	9	9	9	9	9

**COMPLIANCE SECTION**

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

To the Board of Trustees  
The Incorporated Village of Rockville Centre

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, fiduciary funds and the aggregate remaining fund information of the Village of Rockville Centre, as of and for the fiscal year ended May 31, 2015, and the related notes to the financial statements, which collectively comprise the Village of Rockville Centre's basic financial statements, and have issued our report thereon dated October 30, 2015.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

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### **Purpose of this Report**

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

*R.S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, NY  
October 30, 2015