

All Numbers in This Report
Have Been Rounded To
The Nearest Dollar

ANNUAL FINANCIAL REPORT
UPDATE DOCUMENT
For The
VILLAGE of Montgomery
County of Orange
For the Fiscal Year Ended 05/31/2017

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

1. ***Every Municipal Corporation *** shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation ***

5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller *** It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report ***

State of NEW YORK
Office of The State Comptroller
Division of Local Government and School Accountability
Albany, New York 12236

VILLAGE OF Montgomery

*** FINANCIAL SECTION ***

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2016 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2017:

- (A) GENERAL
- (CD) SPECIAL GRANT
- (FX) WATER
- (G) SEWER
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (TA) AGENCY
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2016 represent data filed by your government with OSC as reviewed and adjusted where necessary.

*** SUPPLEMENTAL SECTION ***

The Supplemental Section includes the following sections:

- 1) Statement of Indebtedness
- 2) Schedule of Time Deposits and Investments
- 3) Bank Reconciliation
- 4) Local Government Questionnaire
- 5) Schedule of Employee and Retiree Benefits
- 6) Schedule of Energy Costs and Consumption
- 7) Schedule of Other Post Employment Benefits (OPEB)

All numbers in this report will be rounded to the nearest dollar.

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	1,093,869	A200	1,003,366
Petty Cash	225	A210	225
TOTAL Cash	1,094,094		1,003,591
Accounts Receivable	4,879	A380	4,430
TOTAL Other Receivables (net)	4,879		4,430
Due From State And Federal Government		A410	45,000
TOTAL State And Federal Aid Receivables	0		45,000
Due From Other Funds	1,943	A391	2,765
TOTAL Due From Other Funds	1,943		2,765
TOTAL Assets and Deferred Outflows of Resources	1,100,916		1,055,786

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	42,212	A600	4,966
TOTAL Accounts Payable	42,212		4,966
Accrued Liabilities	40,697	A601	59,218
TOTAL Accrued Liabilities	40,697		59,218
TOTAL Liabilities	82,909		64,184
Deferred Inflows of Resources			
Deferred Inflow of Resources	82,458	A691	85,602
TOTAL Deferred Inflows of Resources	82,458		85,602
TOTAL Deferred Inflows of Resources	82,458		85,602
Fund Balance			
Assigned Appropriated Fund Balance	562,000	A914	529,000
TOTAL Assigned Fund Balance	562,000		529,000
Unassigned Fund Balance	373,549	A917	377,000
TOTAL Unassigned Fund Balance	373,549		377,000
TOTAL Fund Balance	935,549		906,000
TOTAL Liabilities, Deferred Inflows And Fund Balance	1,100,916		1,055,786

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Real Property Taxes	2,685,088	A1001	2,691,968
TOTAL Real Property Taxes	2,685,088		2,691,968
Other Payments In Lieu of Taxes	29,952	A1081	29,952
Other Tax Items	4,206	A1089	1,690
Interest & Penalties On Real Prop Taxes	10,750	A1090	15,294
TOTAL Real Property Tax Items	44,908		46,936
Non Prop Tax Dist By County	581,145	A1120	597,485
Utilities Gross Receipts Tax	31,262	A1130	33,499
Franchises	69,740	A1170	72,387
TOTAL Non Property Tax Items	682,147		703,371
Police Fees	108	A1520	267
Other Public Safety Departmental Income	6,600	A1589	7,200
Vital Statistics Fees	1,022	A1603	680
Public Works Charges	360	A1710	600
Park And Recreational Charges	4,419	A2001	4,895
Recreational Concessions	76,889	A2012	54,895
Other Culture & Recreation Income	116,370	A2089	167,811
Zoning Fees	1,300	A2110	925
Planning Board Fees	5,235	A2115	13,967
Refuse & Garbage Charges	4,989	A2130	4,538
TOTAL Departmental Income	217,292		255,778
Youth Recreation Services, Other Govts	18,000	A2350	21,000
TOTAL Intergovernmental Charges	18,000		21,000
Interest And Earnings	2,125	A2401	1,156
Rental of Real Property	35,550	A2410	33,019
TOTAL Use of Money And Property	37,675		34,175
Building And Alteration Permits	10,941	A2555	11,796
Permits, Other	605	A2590	205
TOTAL Licenses And Permits	11,546		12,001
Fines And Forfeited Bail	50,807	A2610	43,863
TOTAL Fines And Forfeitures	50,807		43,863
Sales of Scrap & Excess Materials	1,825	A2650	1,311
Sales, Other	2,156	A2655	1,506
Sales of Real Property		A2660	
TOTAL Sale of Property And Compensation For Loss	3,981		2,817
Refunds of Prior Year's Expenditures	7,546	A2701	
Gifts And Donations	13,220	A2705	7,980
Unclassified (specify)	669	A2770	3,398
TOTAL Miscellaneous Local Sources	21,435		11,378
St Aid, Revenue Sharing	14,162	A3001	14,162
St Aid, Mortgage Tax	11,147	A3005	58,632
St Aid - Other (specify)	15,020	A3089	19,991
St Aid, Other Public Safety	13,618	A3389	4,070
St Aid, Consolidated Highway Aid	46,213	A3501	46,000

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
St Aid, Youth Programs	4,000	A3820	4,275
TOTAL State Aid	104,160		147,130
TOTAL Revenues	3,877,039		3,970,417
TOTAL Detail Revenues And Other Sources	3,877,039		3,970,417

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Legislative Board, Pers Serv	37,313	A10101	38,453
Legislative Board, Contr Expend	17,741	A10104	9,232
TOTAL Legislative Board	55,054		47,685
Municipal Court, Pers Serv	85,893	A11101	85,565
Municipal Court, Equip & Cap Outlay	7,935	A11102	3,670
Municipal Court, Contr Expend	14,183	A11104	15,061
TOTAL Municipal Court	108,011		104,296
Mayor, Pers Serv	12,000	A12101	12,240
Mayor, Contr Expend	7,062	A12104	12,630
TOTAL Mayor	19,062		24,870
Auditor, Contr Expend	2,400	A13204	2,100
TOTAL Auditor	2,400		2,100
Treasurer, Pers Serv	55,127	A13251	44,250
Treasurer, Equip & Cap Outlay	2,267	A13252	
Treasurer, Contr Expend	12,829	A13254	44,863
TOTAL Treasurer	70,223		89,113
Clerk,pers Serv	86,727	A14101	90,713
Clerk,equip & Cap Outlay	1,848	A14102	
Clerk,contr Expend	11,754	A14104	13,979
TOTAL Clerk	100,329		104,692
Law, Contr Expend	61,156	A14204	53,435
TOTAL Law	61,156		53,435
Engineer, Contr Expend	42,983	A14404	53,157
TOTAL Engineer	42,983		53,157
Elections, Contr Expend	502	A14504	3,466
TOTAL Elections	502		3,466
Board of Ethics, Pers Serv		A14701	526
TOTAL Board of Ethics	0		526
Buildings, Pers Serv	49,215	A16201	48,796
Buildings, Equip & Cap Outlay	661	A16202	
Buildings, Contr Expend	120,726	A16204	103,333
TOTAL Buildings	170,602		152,129
Unallocated Insurance, Contr Expend	73,474	A19104	69,288
TOTAL Unallocated Insurance	73,474		69,288
Municipal Assn Dues, Contr Expend	2,314	A19204	2,249
TOTAL Municipal Assn Dues	2,314		2,249
Payment of Mta Payroll Tax,contr Expend	3,719	A19804	2,902
TOTAL Payment of Mta Payroll Tax	3,719		2,902
TOTAL General Government Support	709,829		709,908
Police, Pers Serv	521,915	A31201	588,572
Police, Equip & Cap Outlay	52,398	A31202	29,505
Police, Contr Expend	142,158	A31204	123,717
TOTAL Police	716,471		741,794
Safety Inspection, Pers Serv	27,475	A36201	33,878

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Safety Inspection, Contr Expend	15,252	A36204	15,811
TOTAL Safety Inspection	42,727		49,689
TOTAL Public Safety	759,198		791,483
Registrar of Vital Stat Contr Expend	477	A40204	730
TOTAL Registrar of Vital Stat Contr Expend	477		730
Narcotic Guid Council, Pers Serv	9,866	A42101	10,348
Narcotic Guid Council, Contr Expend	6,339	A42104	6,282
TOTAL Narcotic Guid Council	16,205		16,630
TOTAL Health	16,682		17,360
Maint of Streets, Pers Serv	440,962	A51101	430,905
Maint of Streets, Equip & Cap Outlay	2,177	A51102	900
Maint of Streets, Contr Expend	153,378	A51104	169,795
TOTAL Maint of Streets	596,517		601,600
Snow Removal, Pers Serv	3,581	A51421	15,252
Snow Removal, Equip & Cap Outlay		A51422	
Snow Removal, Contr Expend	30,583	A51424	38,873
TOTAL Snow Removal	34,164		54,125
Street Lighting, Contr Expend	49,075	A51824	50,123
TOTAL Street Lighting	49,075		50,123
Sidewalks, Contr Expend	5,020	A54104	4,242
TOTAL Sidewalks	5,020		4,242
TOTAL Transportation	684,776		710,090
Playgr & Rec Centers, Pers Serv	34,653	A71401	43,613
Playgr & Rec Centers, Contr Expend	29,852	A71404	34,822
TOTAL Playgr & Rec Centers	64,505		78,435
Band Concerts, Contr Expend	8,714	A72704	9,781
TOTAL Band Concerts	8,714		9,781
Youth Prog, Pers Serv	110,609	A73101	119,802
Youth Prog, Contr Expend	26,984	A73104	27,309
TOTAL Youth Prog	137,593		147,111
Joint Youth Prog, Pers Serv	10,801	A73201	13,650
Joint Youth Prog, Contr Expend	4,152	A73204	16,037
TOTAL Joint Youth Prog	14,953		29,687
Library, Contr Expend	25,000	A74104	25,000
TOTAL Library	25,000		25,000
Historian, Pers Serv	4,700	A75101	4,847
Historian, Contr Expend	590	A75104	722
TOTAL Historian	5,290		5,569
Historical Property, Contr Expend	1,000	A75204	1,000
TOTAL Historical Property	1,000		1,000
Celebrations, Pers Serv	18,558	A75501	18,790
Celebrations, Contr Expend	40,768	A75504	35,748
TOTAL Celebrations	59,326		54,538
Programs For Aging, Pers Serv	12,628	A76101	13,745

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Programs For Aging, Contr Expend	21,637	A76104	20,208
TOTAL Programs For Aging	34,265		33,953
TOTAL Culture And Recreation	350,646		385,074
Zoning, Pers Serv	4,398	A80101	4,608
Zoning, Contr Expend	426	A80104	328
TOTAL Zoning	4,824		4,936
Planning, Pers Serv	9,092	A80201	9,185
Planning, Contr Expend	1,260	A80204	1,867
TOTAL Planning	10,352		11,052
Research, Pers Serv	3,922	A80301	4,477
Research, Contr Expend	27	A80304	
TOTAL Research	3,949		4,477
Refuse & Garbage, Pers Serv	139,325	A81601	142,148
Refuse & Garbage, Equip & Cap Outlay		A81602	30,000
Refuse & Garbage, Contr Expend	172,575	A81604	151,517
TOTAL Refuse & Garbage	311,900		323,665
Shade Tree, Contr Expend	1,750	A85604	1,700
TOTAL Shade Tree	1,750		1,700
TOTAL Home And Community Services	332,775		345,830
State Retirement System	172,727	A90108	185,638
Police & Firemen Retirement, Empl Bnfts	52,789	A90158	86,328
Social Security, Employer Cont	128,788	A90308	133,445
Worker's Compensation, Empl Bnfts	102,892	A90408	109,446
Unemployment Insurance, Empl Bnfts		A90508	11
Disability Insurance, Empl Bnfts	2,272	A90558	2,136
Hospital & Medical (dental) Ins, Empl Bnft	372,844	A90608	373,579
Other Employee Benefits (spec)	21,916	A90898	28,907
TOTAL Employee Benefits	854,228		919,490
Debt Principal, Serial Bonds	36,750	A97106	36,750
Debt Principal, Bond Anticipation Notes	75,000	A97306	75,000
TOTAL Debt Principal	111,750		111,750
Debt Interest, Serial Bonds	9,043	A97107	6,979
Debt Interest, Bond Anticipation Notes	5,189	A97307	2,002
TOTAL Debt Interest	14,232		8,981
TOTAL Expenditures	3,834,116		3,999,966
TOTAL Detail Expenditures And Other Uses	3,834,116		3,999,966

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	892,626	A8021	935,549
Restated Fund Balance - Beg of Year	892,626	A8022	935,549
ADD - REVENUES AND OTHER SOURCES	3,877,039		3,970,417
DEDUCT - EXPENDITURES AND OTHER USES	3,834,116		3,999,966
Fund Balance - End of Year	935,549	A8029	906,000

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
Estimated Revenues			
Est Rev - Real Property Taxes	2,691,968	A1049N	2,799,810
Est Rev - Real Property Tax Items	42,142	A1099N	45,691
Est Rev - Non Property Tax Items	676,000	A1199N	702,000
Est Rev - Departmental Income	219,700	A1299N	216,945
Est Rev - Intergovernmental Charges	18,000	A2399N	21,000
Est Rev - Use of Money And Property	38,000	A2499N	37,000
Est Rev - Licenses And Permits	6,500	A2599N	7,000
Est Rev - Fines And Forfeitures	58,124	A2649N	34,000
Est Rev - Sale of Prop And Comp For Loss	2,100	A2699N	2,250
Est Rev - State Aid	106,606	A3099N	94,444
TOTAL Estimated Revenues	3,859,140		3,960,140
Appropriated Fund Balance	562,000	A599N	529,000
TOTAL Estimated Other Sources	562,000		529,000
TOTAL Estimated Revenues And Other Sources	4,421,140		4,489,140

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(A) GENERAL

Budget Summary

Code Description	2017	EdpCode	2018
Appropriations			
App - General Government Support	832,017	A1999N	814,345
App - Public Safety	896,049	A3999N	922,328
App - Health	15,010	A4999N	15,350
App - Transportation	825,680	A5999N	828,037
App - Culture And Recreation	406,301	A7999N	377,298
App - Home And Community Services	404,550	A8999N	381,835
App - Employee Benefits	919,969	A9199N	1,000,089
App - Debt Service	121,564	A9899N	149,858
TOTAL Appropriations	4,421,140		4,489,140
TOTAL Appropriations And Other Uses	4,421,140		4,489,140

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	1	CD200	1
TOTAL Cash	1		1
TOTAL Assets and Deferred Outflows of Resources	1		1

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Balance Sheet

Code Description	2016	EdpCode	2017
Fund Balance			
Committed Fund Balance	1	CD913	1
TOTAL Committed Fund Balance	1		1
TOTAL Fund Balance	1		1
TOTAL Liabilities, Deferred Inflows And Fund Balance	1		1

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Interest And Earnings	41	CD2401	
TOTAL Use of Money And Property	41		0
Fed Aid, Community Development Act	200,000	CD4910	145,000
TOTAL Federal Aid	200,000		145,000
TOTAL Revenues	200,041		145,000
Interfund Transfers		CD5031	77,317
TOTAL Interfund Transfers	0		77,317
TOTAL Other Sources	0		77,317
TOTAL Detail Revenues And Other Sources	200,041		222,317

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Public Works Fac Site, Equip & Cap	186,332	CD86622	222,317
TOTAL Public Works Fac Site	186,332		222,317
TOTAL Home And Community Services	186,332		222,317
TOTAL Expenditures	186,332		222,317
Transfers, Other Funds	13,709	CD99019	
TOTAL Operating Transfers	13,709		0
TOTAL Other Uses	13,709		0
TOTAL Detail Expenditures And Other Uses	200,041		222,317

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(CD) SPECIAL GRANT

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	1	CD8021	1
Restated Fund Balance - Beg of Year	1	CD8022	1
ADD - REVENUES AND OTHER SOURCES	200,041		222,317
DEDUCT - EXPENDITURES AND OTHER USES	200,041		222,317
Fund Balance - End of Year	1	CD8029	1

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	261,600	FX200	245,586
TOTAL Cash	261,600		245,586
Water Rents Receivable	34,910	FX350	37,042
TOTAL Other Receivables (net)	34,910		37,042
Cash Special Reserves	117,212	FX230	77,848
TOTAL Restricted Assets	117,212		77,848
TOTAL Assets and Deferred Outflows of Resources	413,722		360,476

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	4,944	FX600	30
TOTAL Accounts Payable	4,944		30
Accrued Liabilities	1,545	FX601	3,060
TOTAL Accrued Liabilities	1,545		3,060
Due To Other Funds	1,185	FX630	1,674
TOTAL Due To Other Funds	1,185		1,674
TOTAL Liabilities	7,674		4,764
Fund Balance			
Reserve For Repairs	117,212	FX882	77,848
TOTAL Restricted Fund Balance	117,212		77,848
Assigned Appropriated Fund Balance	147,000	FX914	120,000
Assigned Unappropriated Fund Balance	141,836	FX915	157,864
TOTAL Assigned Fund Balance	288,836		277,864
TOTAL Fund Balance	406,048		355,712
TOTAL Liabilities, Deferred Inflows And Fund Balance	413,722		360,476

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Metered Water Sales	251,781	FX2140	254,703
Water Service Charges	430	FX2144	400
Interest & Penalties On Water Rents	7,282	FX2148	3,045
TOTAL Departmental Income	259,493		258,148
Service For Other Govts	4,102	FX2378	3,697
TOTAL Intergovernmental Charges	4,102		3,697
Interest And Earnings	659	FX2401	826
TOTAL Use of Money And Property	659		826
Sales of Equipment	1,155	FX2665	261
Insurance Recoveries		FX2680	1,140
TOTAL Sale of Property And Compensation For Loss	1,155		1,401
Unclassified (specify)	34	FX2770	27
TOTAL Miscellaneous Local Sources	34		27
Interfund Revenues		FX2801	
TOTAL Interfund Revenues	0		0
TOTAL Revenues	265,443		264,099
Interfund Transfers	13,709	FX5031	
TOTAL Interfund Transfers	13,709		0
TOTAL Other Sources	13,709		0
TOTAL Detail Revenues And Other Sources	279,152		264,099

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Payment of Mta Payroll Tax, Contr Expend	192	FX19804	
TOTAL Payment of Mta Payroll Tax	192		0
TOTAL General Government Support	192		0
Water Administration, Pers Serv	88,419	FX83101	83,520
Water Administration, Equip & Cap Outlay	4,117	FX83102	4,348
Water Administration, Contr Expend	19,077	FX83104	20,999
TOTAL Water Administration	111,613		108,867
Source Supply Pwr & Pump, Contr Expend	37,611	FX83204	32,910
TOTAL Source Supply Pwr & Pump	37,611		32,910
Water Purification, Contr Expend	11,366	FX83304	12,485
TOTAL Water Purification	11,366		12,485
Water Trans & Distrib, Contr Expend	10,843	FX83404	27,171
TOTAL Water Trans & Distrib	10,843		27,171
TOTAL Home And Community Services	171,433		181,433
Social Security, Empl Bnfts	6,635	FX90308	5,325
TOTAL Employee Benefits	6,635		5,325
Debt Principal, Installment Bonds		FX97206	26,500
Debt Principal, Bond Anticipation Notes	75,000	FX97306	15,000
TOTAL Debt Principal	75,000		41,500
Debt Interest, Installment Bonds		FX97207	8,371
Debt Interest, Bond Anticipation Notes	4,231	FX97307	489
TOTAL Debt Interest	4,231		8,860
TOTAL Expenditures	257,491		237,118
Transfers, Other Funds		FX99019	77,317
TOTAL Operating Transfers	0		77,317
TOTAL Other Uses	0		77,317
TOTAL Detail Expenditures And Other Uses	257,491		314,435

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	384,387	FX8021	406,048
Restated Fund Balance - Beg of Year	384,387	FX8022	406,048
ADD - REVENUES AND OTHER SOURCES	279,152		264,099
DEDUCT - EXPENDITURES AND OTHER USES	257,491		314,435
Fund Balance - End of Year	406,048	FX8029	355,712

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Budget Summary

Code Description	2017	EdpCode	2018
Estimated Revenues			
Est Rev - Departmental Income	255,150	FX1299N	255,150
Est Rev-Intergovernmental Charges	11,200	FX2399N	10,600
Est Rev - Use of Money And Property	350	FX2499N	175
TOTAL Estimated Revenues	266,700		265,925
Appropriated Fund Balance	147,000	FX599N	120,000
TOTAL Estimated Other Sources	147,000		120,000
TOTAL Estimated Revenues And Other Sources	413,700		385,925

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(FX) WATER

Budget Summary

Code Description	2017	EdpCode	2018
Appropriations			
App - General Government Support	15,699	FX1999N	5,747
App-Home And Community Services	329,974	FX8999N	322,558
App - Employee Benefits	7,941	FX9199N	8,021
App - Debt Service	50,086	FX9899N	49,599
TOTAL Appropriations	403,700		385,925
App - Interfund Transfer	10,000	FX9999N	
TOTAL Other Uses	10,000		0
TOTAL Appropriations And Other Uses	413,700		385,925

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	241,335	G200	255,716
TOTAL Cash	241,335		255,716
Sewer Rents Receivable	57,550	G360	61,228
TOTAL Other Receivables (net)	57,550		61,228
Cash Special Reserves	54,128	G230	54,191
TOTAL Restricted Assets	54,128		54,191
TOTAL Assets and Deferred Outflows of Resources	353,013		371,135

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Balance Sheet

Code Description	2016	EdpCode	2017
Accounts Payable	25,065	G600	
TOTAL Accounts Payable	25,065		0
Accrued Liabilities	1,025	G601	2,376
TOTAL Accrued Liabilities	1,025		2,376
Due To Other Funds	758	G630	1,091
TOTAL Due To Other Funds	758		1,091
TOTAL Liabilities	26,848		3,467
Fund Balance			
Reserve For Repairs	54,057	G882	54,191
TOTAL Restricted Fund Balance	54,057		54,191
Assigned Appropriated Fund Balance	110,000	G914	120,000
Assigned Unappropriated Fund Balance	162,108	G915	193,477
TOTAL Assigned Fund Balance	272,108		313,477
TOTAL Fund Balance	326,165		367,668
TOTAL Liabilities, Deferred Inflows And Fund Balance	353,013		371,135

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Sewer Rents	413,741	G2120	419,892
Sewer Charges	280	G2122	290
Interest & Penalties On Sewer Accts	12,069	G2128	5,045
TOTAL Departmental Income	426,090		425,227
Interest And Earnings	307	G2401	261
TOTAL Use of Money And Property	307		261
Unclassified (specify)	37	G2770	34
TOTAL Miscellaneous Local Sources	37		34
TOTAL Revenues	426,434		425,522
TOTAL Detail Revenues And Other Sources	426,434		425,522

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Payment of Mta Payroll Tax, Contr Expend	120	G19804	
TOTAL Payment of Mta Payroll Tax	120		0
TOTAL General Government Support	120		0
Sewer Administration, Pers Serv	27,573	G81101	26,023
TOTAL Sewer Administration	27,573		26,023
Sanitary Sewers, Equip & Cap Outlay	4,121	G81202	4,348
Sanitary Sewers, Contr Expend	22,404	G81204	15,700
TOTAL Sanitary Sewers	26,525		20,048
Sewage Treat Disp, Pers Serv	27,218	G81301	29,978
Sewage Treat Disp, Contr Expend	285,214	G81304	293,570
TOTAL Sewage Treat Disp	312,432		323,548
TOTAL Home And Community Services	366,530		369,619
Social Security , Empl Bnfts	4,109	G90308	4,067
TOTAL Employee Benefits	4,109		4,067
Debt Principal, Bond Anticipation Notes	10,000	G97306	10,000
TOTAL Debt Principal	10,000		10,000
Debt Interest, Bond Anticipation Notes	758	G97307	333
TOTAL Debt Interest	758		333
TOTAL Expenditures	381,517		384,019
TOTAL Detail Expenditures And Other Uses	381,517		384,019

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	281,248	G8021	326,165
Restated Fund Balance - Beg of Year	281,248	G8022	326,165
ADD - REVENUES AND OTHER SOURCES	426,434		425,522
DEDUCT - EXPENDITURES AND OTHER USES	381,517		384,019
Fund Balance - End of Year	326,165	G8029	367,668

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Budget Summary

Code Description	2017	EdpCode	2018
Estimated Revenues			
Est Rev - Departmental Income	424,060	G1299N	424,100
Est Rev - Use of Money And Property	250	G2499N	175
TOTAL Estimated Revenues	424,310		424,275
Appropriated Fund Balance	110,000	G599N	120,000
TOTAL Estimated Other Sources	110,000		120,000
TOTAL Estimated Revenues And Other Sources	534,310		544,275

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(G) SEWER

Budget Summary

Code Description	2017	EdpCode	2018
Appropriations			
App - General Government Support	9,078	G1999N	6,029
App - Home And Community Services	500,063	G8999N	512,659
App - Employee Benefits	5,169	G9199N	5,334
App - Debt Service	10,000	G9899N	20,253
TOTAL Appropriations	524,310		544,275
App - Interfund Transfer	10,000	G9999N	
TOTAL Other Uses	10,000		0
TOTAL Appropriations And Other Uses	534,310		544,275

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	102	H200	1,817
TOTAL Cash	102		1,817
Cash Special Reserves	2,956	H230	2,985
TOTAL Restricted Assets	2,956		2,985
TOTAL Assets and Deferred Outflows of Resources	3,058		4,802

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2016	EdpCode	2017
Bond Anticipation Notes Payable	525,000	H626	305,000
TOTAL Notes Payable	525,000		305,000
TOTAL Liabilities	525,000		305,000
Fund Balance			
Capital Reserve	2,956	H878	2,985
TOTAL Restricted Fund Balance	2,956		2,985
Unassigned Fund Balance	-524,898	H917	-303,183
TOTAL Unassigned Fund Balance	-524,898		-303,183
TOTAL Fund Balance	-521,942		-300,198
TOTAL Liabilities, Deferred Inflows And Fund Balance	3,058		4,802

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2016	EdpCode	2017
Revenues			
Interest And Earnings Additional Description 18	12	H2401	17
TOTAL Use of Money And Property	12		17
TOTAL Revenues	12		17
Bans Redeemed From Appropriations	160,000	H5731	100,000
TOTAL Proceeds of Obligations	160,000		100,000
TOTAL Other Sources	160,000		100,000
TOTAL Detail Revenues And Other Sources	160,012		100,017

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2016	EdpCode	2017
Expenditures			
Garage, Equip & Cap Outlay		H51322	143,273
TOTAL Garage	0		143,273
TOTAL Transportation	0		143,273
Source Supply Pwr & Pump, Equip & Cap Outla	41	H83202	
TOTAL Source Supply Pwr & Pump	41		0
TOTAL Home And Community Services	41		0
TOTAL Expenditures	41		143,273
TOTAL Detail Expenditures And Other Uses	41		143,273

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Analysis of Changes in Fund Balance

Code Description	2016	EdpCode	2017
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	-681,913	H8021	-521,942
Prior Period Adj -Increase In Fund Balance		H8012	265,000
Restated Fund Balance - Beg of Year	-681,913	H8022	-256,942
ADD - REVENUES AND OTHER SOURCES	160,012		100,017
DEDUCT - EXPENDITURES AND OTHER USES	41		143,273
Fund Balance - End of Year	-521,942	H8029	-300,198

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Buildings	4,701,075	K102	4,701,075
Machinery And Equipment	3,818,441	K104	4,243,536
TOTAL Fixed Assets (net)	8,519,516		8,944,611
TOTAL Assets and Deferred Outflows of Resources	8,519,516		8,944,611

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2016	EdpCode	2017
Liabilities, Deferred Inflows And Fund Balance			
Total Non-Current Govt Assets	8,519,516	K159	8,944,611
TOTAL Investments in Non-Current Government Assets	8,519,516		8,944,611
TOTAL Fund Balance	8,519,516		8,944,611
TOTAL	8,519,516		8,944,611

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Cash	2,277	TA200	17,277
Cash In Time Deposits	25,793	TA201	25,819
TOTAL Cash	28,070		43,096
TOTAL Assets and Deferred Outflows of Resources	28,070		43,096

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(TA) AGENCY

Balance Sheet

Code Description	2016	EdpCode	2017
Guaranty & Bid Deposits	28,070	TA30	43,096
TOTAL Agency Liabilities	28,070		43,096
TOTAL Liabilities	28,070		43,096
TOTAL Liabilities, Deferred Inflows And Fund Balance	28,070		43,096

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	EdpCode	2017
Assets			
Total Non-Current Govt Liabilities	134,250	W129	336,000
TOTAL Provision To Be Made In Future Budgets	134,250		336,000
TOTAL Assets and Deferred Outflows of Resources	134,250		336,000

VILLAGE OF Montgomery
Annual Update Document
For the Fiscal Year Ending 2017

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2016	EdpCode	2017
Liabilities, Deferred Inflows And Fund Balance			
Bonds Payable	134,250	W628	336,000
TOTAL Bond And Long Term Liabilities	134,250		336,000
TOTAL Liabilities	134,250		336,000
TOTAL Liabilities	134,250		336,000

VILLAGE OF Montgomery
Statement of Indebtedness
For the Fiscal Year Ending 2017

7/25/2017

County of: Orange

Municipal Code: 330454503190

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
2013	BAN N	VARIOUS PURPOSES			07/13/2012	07/12/2013	1.95%		\$200,000	\$80,000	\$40,000	\$0	\$0		\$40,000
2014	BAN N	Various Purpose			08/06/2013	08/05/2014	2.05%		\$300,000	\$180,000	\$60,000	\$0	\$0		\$120,000
2015	BAN N	Water Storage Tanks			03/12/2015	03/11/2016	0.94%		\$325,000	\$265,000	\$0	\$0	(\$265,000)		\$0
2017	BAN N	GARBGE TRUCK		Y	12/09/2016	12/08/2017	1.49%		\$145,000	\$0			\$0		\$145,000
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year									\$145,000	\$525,000	\$100,000	\$0	(\$265,000)	\$0	\$305,000
2017	BOND N	WATER STORAGE		Y	03/01/2016	03/01/2026	3.24%			\$0	\$26,500		\$265,000		\$238,500
2003	BOND N	GENERAL FUND			05/01/1986	05/01/2021	7.125%			\$30,000	\$6,000	\$0	\$0		\$24,000
2003	BOND N	GENERAL FUND			05/01/1986	05/01/2021	5.00%			\$30,000	\$6,000	\$0	\$0		\$24,000
2003	BOND N	GENERAL FUND			07/01/1998	07/01/2018	5.40%			\$74,250	\$24,750	\$0	\$0		\$49,500
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year									\$0	\$134,250	\$63,250	\$0	\$265,000	\$0	\$336,000
AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year									\$145,000	\$659,250	\$163,250	\$0	\$0	\$0	\$641,000

VILLAGE OF Montgomery
Schedule of Time Deposits and Investments
For the Fiscal Year Ending 2017

	EDP Code	Amount
CASH:		
On Hand	9Z2001	\$225.00
Demand Deposits	9Z2011	\$169,861.00
Time Deposits	9Z2021	\$1,617,227.00
Total		\$1,787,313.00
 COLLATERAL:		
- FDIC Insurance	9Z2014	\$419,861.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$1,367,452.00
Total		\$1,787,313.00
 INVESTMENTS:		
- Securities (450)		
Book Value (cost)	9Z4501	
Market Value at Balance Sheet Date	9Z4502	
Collateralized with securities held in possession of municipality or its agent	9Z4504A	
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	
Market Value at Balance Sheet Date	9Z4512	
Collateralized with securities held in possession of municipality or its agent	9Z4514A	

VILLAGE OF Montgomery
Bank Reconciliation
For the Fiscal Year Ending 2017

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
*****-1436	\$24	\$0	\$0	\$24
*****-3141	\$92	\$0	\$0	\$92
*****-3154	\$3,341	\$0	\$0	\$3,341
*****-3178	\$2,299	\$0	\$0	\$2,299
*****-3180	\$3	\$0	\$0	\$3
*****-3192	\$100	\$0	\$0	\$100
*****-3395	\$39	\$0	\$0	\$39
*****-3403	\$67,297	\$0	\$0	\$67,297
*****-3411	\$10,542	\$10	\$0	\$10,552
*****-3429	\$2,985	\$0	\$0	\$2,985
*****-5140	\$87	\$0	\$0	\$87
*****-5972	\$23,517	\$0	\$0	\$23,517
*****-6275	\$1,537,107	\$49,834	\$91,422	\$1,495,519
*****-6301	\$17,177	\$0	\$0	\$17,177
*****-6314	\$1	\$0	\$0	\$1
*****-6327	\$54,191	\$0	\$0	\$54,191
*****-6330	\$60,902	\$0	\$60,902	\$0
*****-7399	\$201	\$0	\$0	\$201
*****-7438	\$1,727	\$0	\$0	\$1,727
*****-8286	\$5,453	\$0	\$0	\$5,453
*****-9150	\$3	\$0	\$0	\$3
Total Adjusted Bank Balance				\$1,684,608
Petty Cash				\$225.00
Adjustments				\$-2.00
Total Cash			9ZCASH *	\$1,684,831
Total Cash Balance All Funds			9ZCASHB *	\$1,684,831

* Must be equal

VILLAGE OF Montgomery
 Local Government Questionnaire
 For the Fiscal Year Ending 2017

	<u>Response</u>
1) Does your municipality have a written procurement policy?	<u>Yes</u>
2) Have the financial statements for your municipality been independently audited? If not, are you planning on having an audit conducted?	<u>No</u>
3) Does your local government participate in an insurance pool with other local governments?	<u>Yes</u>
4) Does your local government participate in an investment pool with other local governments?	<u>No</u>
5) Does your municipality have a Length of Service Award Program (LOSAP) for volunteer firefighters?	<u>No</u>
6) Does your municipality have a Capital Plan?	<u>No</u>
7) Has your municipality prepared and documented a risk assessment plan? If yes, has your municipality used the results to design the system of internal controls?	<u>No</u>
8) Have you had a change in chief executive or chief fiscal officer during the last year?	<u>No</u>
9) Has your Local Government adopted an investment policy as required by General Municipal Law, Section 39?	<u>No</u>

VILLAGE OF Montgomery
Employee and Retiree Benefits
For the Fiscal Year Ending 2017

Total Full Time Employees:					
Total Part Time Employees:					
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System	\$185,638.00	17	14	
90158	Police and Fire Retirement	\$86,328.00	7	9	
90258	Local Pension Fund				
90308	Social Security	\$142,837.00	24	165	
90408	Worker's Compensation Insurance	\$109,446.00	24	165	
90458	Life Insurance				
90508	Unemployment Insurance	\$11.00			
90558	Disability Insurance	\$2,136.00	24	14	
90608	Hospital and Medical (Dental) Insurance	\$373,579.00	24		8
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits	\$28,907.00			
Total		\$928,882.00			
Computed Total From Financial Section (comparative purposes only)		\$928,882.00			

VILLAGE OF Montgomery
 Energy Costs and Consumption
 For the Fiscal Year Ending 2017

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$21,338	11,497	gallons	
Diesel Fuel	\$12,207	7,370	gallons	
Fuel Oil			gallons	
Natural Gas	\$24,931	24,826	cubic feet	
Electricity	\$159,191	2,070,150	kilowatt-hours	
Coal			tons	
Propane			gallons	

VILLAGE OF Montgomery
Schedule of Other Post Employment Benefits (OPEB)
For the Fiscal Year Ending 2017

Annual OPEB Cost and Net OPEB Obligation

1. Type of Other Post Employment Benefits Plan
2. Annual Required Contribution(ARC)
3. Interest on Net OPEB Obligation
4. Adjustment to Annual Required Contribution
5. Annual OPEB Expense
6. Less: Actual Contribution Made
7. Increase in Net OPEB Obligation
8. Net OPEB Obligation - beginning of year
9. Net OPEB Obligation - end of year
10. Total Other Post Employment Benefits as reported in Accounts 683 in Financial Section, Current Fiscal Year
11. Percentage of Annual OPEB Cost Contributed (Actual Contribution Made/Annual OPEB Cost)

Funded Status and Funding Process

12. Actuarial Accrued Liability(AAL)
13. Less: Actuarial Value of Plan Assets
14. Unfunded Actuarial Accrued Liability(UAAL)
15. Funded Ratio(Actuarial Value of Plan Assets/AAL)
16. Annual Covered Payroll (of active employees covered by the plan)
17. UAAL as Percentage of Annual Covered Payroll

Other OPEB Information

18. Date of most recent actuarial valuation
19. Actuarial method used
20. Assumed rate of return on investments discount rate .00%
21. Amortization period of UAAL(in years)

CERTIFICATION OF CHIEF FISCAL OFFICER

I, DAVID GRIFFITH, hereby certify that I am the Chief Fiscal Officer of the VILLAGE of MONTGOMERY, and that the information provided in the annual financial report of the VILLAGE of MONTGOMERY, for the fiscal year ended 05/31/2017, is TRUE and correct to the best of my knowledge and belief.

By entering the personal identification number assigned by the Office of the State Comptroller to me as the Chief Fiscal Officer of the VILLAGE of MONTGOMERY, and adopted by me as my signature for use in conjunction with the filing of the VILLAGE of MONTGOMERY's annual financial report, I am evidencing my express intent to authenticate my certification of the VILLAGE of MONTGOMERY's annual financial report for the fiscal year ended 05/31/2017 and filed by means of electronic data transmission.

RONALD E CLUM, CPA
Name of Report Preparer if
different than Chief Fiscal Officer

(845) 467-8243
Telephone Number

07/25/2017
Date of Certification

RONALD E CLUM, CPA, PC
Name

CPA
Title

133 CLINTON STREET
Official Address

(845) 457-9661
Official Telephone Number

VILLAGE OF Montgomery
Financial Comments
For the Fiscal Year Ending 2017

(H) CAPITAL PROJECTS

Adjustment Reason

Account Code H8012 CLASSIFIED A SERIAL BOND LAST YEAR AS A BAN. THIS IS THE UNRECORDED REVENUE
- PROCEEDS FROM BOND

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

I. Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The Village of Montgomery, which was established in 1810, is governed by Village law and other general laws of the State of New York and various local laws. The Village Board is the legislative body responsible for overall operations, the Mayor serves as chief executive officer and the chief fiscal officer.

The following basic services are provided: street maintenance, police services, community and development, and water/sewer services.

All governmental activities and functions performed for the Village of Montgomery are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government which is the Village of Montgomery, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement Numbers 14 and 39.

The decision to include a potential component Village in the Village's reporting entity is based on several criteria set forth in GASB 14 and 39 including legal standing, fiscal dependency, and financial accountability. No potential component unit has been left out of this report.

B. Fund Accounting

The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

A fund is a separate accounting entity with a self-balancing set of accounts.

The Village records its transactions in the fund types described below.

Fund Categories

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

General Fund – the principal operating fund and includes all operations not accounted for and reported in another fund.

Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds.

Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on general obligation long-term debt. Debt service funds are used when legally mandated and for financial resources accumulated in a reserve for payment of future principal and interest on long-term indebtedness.

- b. **Fiduciary Funds** – used to account for assets held by the local government in a trustee or custodial capacity:

Agency Funds – used to account for money (and/or property) received and held in a purely custodial capacity of trustee, custodian, or agent.

C. Basis of Accounting/Measurement Focus

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

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

Modified Accrual Basis – All Governmental Funds are accounted for using the modified accrual basis of accounting.

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days of the end of the current fiscal year.

Material revenues that are accrued include real property taxes, State and Federal Aid, sales tax and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made, all other grant requirements have been met, and the resources are available.

Expenditures are recorded when a liability is incurred except that:

- a. Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase.
- b. Principal and interest on indebtedness are recognized as expenditures when payment is due.
- c. Compensated absences, such as vacation and sick leave which vests or accumulates, are charged as expenditures when payment is due.
- d. Other post-employment benefits are charged as expenditures when payment is due.

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

D. Fund Balances

In fiscal 2012, the Village implemented Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). GASB 54 changed the classification of fund balance to focus on the constraints imposed on resources in governmental funds, instead of the previous focus on availability for appropriation.

Fund balance is now broken down into five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

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

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

Committed consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Village Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance.

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

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

When resources are available from multiple classifications, the Village spends funds in the following order: restricted, committed, assigned, unassigned.

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes, is employed in the governmental funds. Encumbrances are reported as restrictions, commitments, or assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

There were no significant encumbrances at May 31, 2017.

F. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets, are reported in the Schedule of Non-Current Governmental Assets. The Village defines capital assets as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures in governmental funds. Capital assets are not shown on governmental fund balance sheets.

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

G. Insurance

The Village assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

II. Stewardship, Compliance, Accountability

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

- a. No later than March 31st, the budget officer submits a tentative budget to the Village Board for the fiscal year commencing the following June. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- b. After public hearings are conducted to obtain taxpayer comments, no later than May 1st, the governing board adopts the budget.
- c. All modifications of the budget must be approved by the governing board. (However, the treasurer is authorized to transfer certain budgeted amounts within departments.)
- e. Budgets are adopted annually on a basis consistent with cash basis.
- f. Appropriations in all budgeted funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-apportioned in the subsequent year.

B. Property Taxes

Real property taxes are levied annually no later than May 1st and become a lien on June 1st. Taxes are collected during the period June 1st to October 31st.

Unpaid village taxes are turned over to the county for enforcement. Any such taxes remaining unpaid at year-end are relieved as county taxes in the subsequent year.

C. Deficit Fund Balances

1. The capital projects fund had a deficit fund balance at May 31, 2017. The deficit will be eliminated as short-term debt is redeemed or converted to permanent financing.

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

III. Detail Notes on All Funds

A. Assets

1. Cash And Investments

The Village investment policies are governed by State statutes. In addition, the Village has its own written investment policy. Village monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Mayor is authorized to use demand 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.

Collateral is required for demand deposits and certificates of deposit as provided for by law of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the Villageed States and its agencies and obligations of the State and its municipalities and school districts.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the federal government. Underlying securities must have a market value of at least a percentage provided for by law of the cost of the repurchase agreement.

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

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

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

Deposits

All deposits, including certificates of deposit, are carried at cost plus accrued interest.

Fund	Bank Balance	Carrying Value
General Fund	\$ 1,044,954	\$ 1,003,366
Community Development Fund	1	1
Water Fund	323,424	323,424
Sewer Fund	309,907	309,907
Capital Fund	4,803	4,803
Trust & Agency	103,999	43,096
Total:	<u>\$ 1,787,088</u>	<u>\$ 1,684,598</u>

2. **Changes In Capital Assets**

A summary of changes in capital fixed assets follows:

Type	Balance June 1, 2016	Additions	Deletions	Balance May 31, 2017
Buildings	\$ 4,701,075	\$ -	\$ -	\$ 4,701,075
Machinery and Equipment	3,818,441	425,095	-	4,243,536
Total:	<u>\$ 8,519,516</u>	<u>\$ 425,095</u>	<u>\$ -</u>	<u>\$ 8,944,611</u>

B. Liabilities

1. **Pension Plans**

Plan Description

The Village of Montgomery participates in the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS) and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer 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

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be found at <http://www.osc.state.ny.us/retire/publications/index.php> or obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244.

Funding Policy

The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3% of their salary for the first ten years of membership and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3% of their salary for the entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressed used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

Year	PFRS	ERS
2017	\$ 86,328	\$ 185,638
2016	52,789	172,727
2015	95,753	156,048

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

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

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

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

Chapter 57 of the Laws of 2010 of the State of New York was enacted that allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-11, the amount in excess of the graded rate of 9.5 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.
- For subsequent State fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the local employer opts to participate in the program.

2. Post-Employment Benefits

In addition to providing pension benefits, the Village provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid.

3. Short-Term Debt

Liabilities for bond anticipation notes (BANs) are generally accounted for in the capital projects funds and the enterprise fund. The notes or renewal thereof may not extend more than two years beyond the original

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

date of issue unless a portion is redeemed within two years and within each 12-month period thereafter.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Summary of BANs

Description	Original Issue Date	Original Amount	Interest Rate	O/S Amount at May 31, 2017
Various Purposes	07/12	\$ 200,000	1.24%	\$ 40,000
Various Purposes	08/13	300,000	1.24%	120,000
Garbage Truck	12/16	145,000	1.49%	145,000
Total:		<u>\$ 645,000</u>		<u>\$ 305,000</u>

4. Long-Term Debt

a. Outstanding indebtedness aggregated \$336,000.

b. Serial Bonds (and Capital Notes)

The Village borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are full faith and credit debt of the local government, are recorded in the Schedule of Non-Current Governmental Liabilities. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

c. Summary of Long-Term Liabilities

**VILLAGE OF MONTGOMERY
ORANGE COUNTY, NEW YORK
NOTES TO THE FINANCIAL
STATEMENTS
For the Year Ended May 31, 2017**

	Balance June 1, 2016	Issues	Payments	Balance May 31, 2017
Statutory Installment Bond	\$ 265,000	\$ -	\$ 26,500	\$ 238,500
Serial Bonds	134,250	-	36,750	97,500
Total:	<u>\$ 399,250</u>	<u>\$ -</u>	<u>\$ 63,250</u>	<u>\$ 336,000</u>

d. Long-Term Debt Maturity Schedule

The following is a statement of serial bonds and capital notes with corresponding maturity schedules.

Year Ending May 31,	Serial Bonds	
	Principal	Interest
2018	63,250	12,642
2019	63,250	11,056
2020	38,500	8,133
2021	38,500	5,880
2022	26,500	4,293
2023-2026	106,000	8,586
	<u>\$ 336,000</u>	<u>\$ 50,590</u>

IV. Contingencies

The local government has received, which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowance and a request for a return of funds to the Federal and State governments. Based on past audits, the local government administration believes disallowances, if any, will be immaterial.

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