

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

ANNUAL FINANCIAL REPORT  
UPDATE DOCUMENT  
For The  
VILLAGE of Fairport  
County of Monroe  
For the Fiscal Year Ended 05/31/2014

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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 Fairport

\*\*\* 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 2013 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2014:

- (A) GENERAL
- (EE) ENTERPRISE UTILITY
- (EW) ENTERPRISE WATER
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (PN) PERMANENT
- (TA) AGENCY
- (TE) PRIVATE PURPOSE TRUST
- (V) DEBT SERVICE
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2013 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 Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(A) GENERAL

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash	1,912,242	A200	2,081,001
Cash In Time Deposits	775,697	A201	842,487
Petty Cash	125	A210	125
Departmental Cash	25	A215	25
<b>TOTAL Cash</b>	<b>2,688,089</b>		<b>2,923,638</b>
Taxes Receivable, Pending	445	A300	445
Property Acquired For Taxes	123	A330	123
<b>TOTAL Taxes Receivable (net)</b>	<b>568</b>		<b>568</b>
Accounts Receivable	1,357	A380	995
<b>TOTAL Other Receivables (net)</b>	<b>1,357</b>		<b>995</b>
State & Federal, Other	669	A410	
<b>TOTAL State And Federal Aid Receivables</b>	<b>669</b>		<b>0</b>
Due From Other Funds	19,433	A391	106,266
<b>TOTAL Due From Other Funds</b>	<b>19,433</b>		<b>106,266</b>
Due From Other Governments	227,380	A440	280,089
<b>TOTAL Due From Other Governments</b>	<b>227,380</b>		<b>280,089</b>
Cash Special Reserves	923,007	A230	572,650
<b>TOTAL Restricted Assets</b>	<b>923,007</b>		<b>572,650</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>3,860,503</b>		<b>3,884,206</b>

VILLAGE OF Fairport  
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(A) GENERAL

Balance Sheet

Code Description	2013	EdpCode	2014
Accounts Payable	195,603	A600	128,663
<b>TOTAL Accounts Payable</b>	<b>195,603</b>		<b>128,663</b>
Accrued Liabilities	104,402	A601	100,240
<b>TOTAL Accrued Liabilities</b>	<b>104,402</b>		<b>100,240</b>
Due To Other Funds	21,129	A630	40,663
<b>TOTAL Due To Other Funds</b>	<b>21,129</b>		<b>40,663</b>
<b>TOTAL Liabilities</b>	<b>321,133</b>		<b>269,566</b>
<b>Fund Balance</b>			
Insurance Reserve	28,303	A863	28,317
Capital Reserve	942,440	A878	572,650
Other Restricted Fund Balance	26,959	A899	26,959
<b>TOTAL Restricted Fund Balance</b>	<b>997,702</b>		<b>627,926</b>
Committed Fund Balance	325,237	A913	216,078
<b>TOTAL Committed Fund Balance</b>	<b>325,237</b>		<b>216,078</b>
Assigned Appropriated Fund Balance	235,000	A914	250,000
<b>TOTAL Assigned Fund Balance</b>	<b>235,000</b>		<b>250,000</b>
Unassigned Fund Balance	1,981,431	A917	2,520,636
<b>TOTAL Unassigned Fund Balance</b>	<b>1,981,431</b>		<b>2,520,636</b>
<b>TOTAL Fund Balance</b>	<b>3,539,370</b>		<b>3,614,640</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>3,860,503</b>		<b>3,884,206</b>

VILLAGE OF Fairport  
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(A) GENERAL

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Real Property Taxes	2,267,748	A1001	2,338,062
<b>TOTAL Real Property Taxes</b>	<b>2,267,748</b>		<b>2,338,062</b>
Other Payments In Lieu of Taxes	281,302	A1081	230,358
Interest & Penalties On Real Prop Taxes	7,227	A1090	6,655
<b>TOTAL Real Property Tax Items</b>	<b>288,529</b>		<b>237,013</b>
Non Prop Tax Dist By County	1,406,019	A1120	1,464,954
Utilities Gross Receipts Tax	28,363	A1130	21,434
Franchises	82,797	A1170	77,693
<b>TOTAL Non Property Tax Items</b>	<b>1,517,179</b>		<b>1,564,081</b>
Treasurer Fees	2,868	A1230	2,832
Public Pound Charges, Dog Control Fees		A1550	
Safety Inspection Fees	180	A1560	1,260
Other Public Safety Departmental Income	19	A1589	61
Park And Recreational Charges	4,730	A2001	4,165
Special Recreational Facility Charges	16,721	A2025	16,785
Zoning Fees	805	A2110	790
Planning Board Fees	780	A2115	1,505
Sewer Charges	290	A2122	
Charges For Cemetery Services	30	A2192	171
<b>TOTAL Departmental Income</b>	<b>26,423</b>		<b>27,569</b>
Fire Protection Services Other Govts	863,136	A2262	880,096
Sewer Serv Other Govts	37,738	A2374	38,327
Misc Revenue, Other Govts	4,804	A2389	5,145
<b>TOTAL Intergovernmental Charges</b>	<b>905,678</b>		<b>923,568</b>
Interest And Earnings	11,650	A2401	9,540
Rental of Real Property	142,747	A2410	126,789
<b>TOTAL Use of Money And Property</b>	<b>154,397</b>		<b>136,329</b>
Business & Occupational License	500	A2501	280
Public Safety Permits	300	A2550	320
Building And Alteration Permits	17,225	A2555	22,238
Permits, Other	4,073	A2590	3,937
<b>TOTAL Licenses And Permits</b>	<b>22,098</b>		<b>26,775</b>
Fines And Forfeited Bail	41,266	A2610	43,552
<b>TOTAL Fines And Forfeitures</b>	<b>41,266</b>		<b>43,552</b>
Sales of Refuse For Recycling	4,327	A2651	4,408
Sales of Real Property	9,765	A2660	
Sales of Equipment	10,000	A2665	31,950
Insurance Recoveries	6,189	A2680	
<b>TOTAL Sale of Property And Compensation For Loss</b>	<b>30,281</b>		<b>36,358</b>
Refunds of Prior Year's Expenditures	62,815	A2701	201,831
Gifts And Donations		A2705	6,155
Proceeds of Seized & Unclaimed Property	389	A2715	
Unclassified (specify)	305	A2770	5,655
<b>TOTAL Miscellaneous Local Sources</b>	<b>63,510</b>		<b>213,642</b>

VILLAGE OF Fairport  
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(A) GENERAL

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interfund Revenues	363,099	A2801	345,452
<b>TOTAL Interfund Revenues</b>	<b>363,099</b>		<b>345,452</b>
St Aid, Revenue Sharing	140,035	A3001	144,302
St Aid, Mortgage Tax	65,700	A3005	71,250
St Aid, Other Public Safety	12,320	A3389	60,845
St Aid, Consolidated Highway Aid	75,872	A3501	85,603
<b>TOTAL State Aid</b>	<b>293,927</b>		<b>362,000</b>
<b>TOTAL Revenues</b>	<b>5,974,134</b>		<b>6,254,402</b>
Interfund Transfers	402,317	A5031	680,246
<b>TOTAL Interfund Transfers</b>	<b>402,317</b>		<b>680,246</b>
<b>TOTAL Other Sources</b>	<b>402,317</b>		<b>680,246</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>6,376,451</b>		<b>6,934,648</b>

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(A) GENERAL

Results of Operation

Code Description	2013	EpdCode	2014
<b>Expenditures</b>			
Legislative Board, Pers Serv	34,228	A10101	34,298
Legislative Board, Contr Expend	11,107	A10104	10,696
<b>TOTAL Legislative Board</b>	<b>45,335</b>		<b>44,994</b>
Municipal Court, Pers Serv	68,783	A11101	69,335
Municipal Court, Contr Expend	12,885	A11104	13,296
<b>TOTAL Municipal Court</b>	<b>81,668</b>		<b>82,631</b>
Mayor, Pers Serv	13,693	A12101	13,981
Mayor, Contr Expend	2,374	A12104	1,454
<b>TOTAL Mayor</b>	<b>16,066</b>		<b>15,435</b>
Municipal Exec, Pers Serv	105,506	A12301	56,597
Municipal Exec, Contr Expend	146	A12304	4,627
<b>TOTAL Municipal Exec</b>	<b>105,652</b>		<b>61,224</b>
Treasurer, Pers Serv	197,237	A13251	201,254
Treasurer, Equip & Cap Outlay	1,425	A13252	
Treasurer, Contr Expend	30,883	A13254	34,055
<b>TOTAL Treasurer</b>	<b>229,545</b>		<b>235,309</b>
Law, Contr Expend	16,517	A14204	16,892
<b>TOTAL Law</b>	<b>16,517</b>		<b>16,892</b>
Personnel, Contr Expend	2,630	A14304	3,616
<b>TOTAL Personnel</b>	<b>2,630</b>		<b>3,616</b>
Engineer, Contr Expend	3,227	A14404	410
<b>TOTAL Engineer</b>	<b>3,227</b>		<b>410</b>
Buildings, Pers Serv	27,995	A16201	29,319
Buildings, Equip & Cap Outlay	8,330	A16202	
Buildings, Contr Expend	14,861	A16204	13,627
<b>TOTAL Buildings</b>	<b>51,186</b>		<b>42,947</b>
Central Garage, Pers Serv	66,748	A16401	68,843
Central Garage, Equip & Cap Outlay	1,253	A16402	
Central Garage, Contr Expend	28,704	A16404	35,254
<b>TOTAL Central Garage</b>	<b>96,705</b>		<b>104,097</b>
Central Data Process, Contr Expend	22,500	A16804	25,000
<b>TOTAL Central Data Process</b>	<b>22,500</b>		<b>25,000</b>
Unallocated Insurance, Contr Expend	52,411	A19104	67,346
<b>TOTAL Unallocated Insurance</b>	<b>52,411</b>		<b>67,346</b>
Municipal Assn Dues, Contr Expend	3,545	A19204	3,545
<b>TOTAL Municipal Assn Dues</b>	<b>3,545</b>		<b>3,545</b>
Taxes & Assess On Munic Prop, Contr Expend	3,786	A19504	2,885
<b>TOTAL Taxes &amp; Assess On Munic Prop</b>	<b>3,786</b>		<b>2,885</b>
Other Gen Govt Support, Contr Expend	10	A19894	1,432
<b>TOTAL Other Gen Govt Support</b>	<b>10</b>		<b>1,432</b>
<b>TOTAL General Government Support</b>	<b>730,784</b>		<b>707,763</b>
Police, Pers Serv	927,373	A31201	935,104
Police, Equip & Cap Outlay	33,960	A31202	17,016
Police, Contr Expend	71,262	A31204	70,348
<b>TOTAL Police</b>	<b>1,032,595</b>		<b>1,022,468</b>

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(A) GENERAL

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Fire, Pers Serv	59,008	A34101	60,142
Fire, Equip & Cap Outlay	129,611	A34102	598,248
Fire, Contr Expend	192,787	A34104	228,882
<b>TOTAL Fire</b>	<b>381,407</b>		<b>887,272</b>
Safety Inspection, Pers Serv	90,063	A36201	88,316
Safety Inspection, Equip & Cap Outlay	7,477	A36202	502
Safety Inspection, Contr Expend		A36204	7,844
<b>TOTAL Safety Inspection</b>	<b>97,540</b>		<b>96,662</b>
<b>TOTAL Public Safety</b>	<b>1,511,541</b>		<b>2,006,402</b>
Street Admin, Pers Serv	110,574	A50101	100,451
Street Admin, Equip & Cap Outlay	1,788	A50102	
Street Admin, Contr Expend	3,522	A50104	3,034
<b>TOTAL Street Admin</b>	<b>115,884</b>		<b>103,485</b>
Maint of Streets, Pers Serv	131,947	A51101	132,777
Maint of Streets, Equip & Cap Outlay	545	A51102	30,182
Maint of Streets, Contr Expend	83,316	A51104	85,952
<b>TOTAL Maint of Streets</b>	<b>215,807</b>		<b>248,911</b>
Perm Improve Highway, Equip & Cap Outlay		A51122	186,858
<b>TOTAL Perm Improve Highway</b>	<b>0</b>		<b>186,858</b>
Snow Removal, Pers Serv	164,166	A51421	208,166
Snow Removal, Equip & Cap Outlay		A51422	116,810
Snow Removal, Contr Expend	32,402	A51424	60,041
<b>TOTAL Snow Removal</b>	<b>196,568</b>		<b>385,018</b>
Street Lighting, Contr Expend	196,794	A51824	205,424
<b>TOTAL Street Lighting</b>	<b>196,794</b>		<b>205,424</b>
Sidewalks, Pers Serv	20,711	A54101	22,968
Sidewalks, Contr Expend	14,726	A54104	1,082
<b>TOTAL Sidewalks</b>	<b>35,437</b>		<b>24,049</b>
Off-Street Parking, Pers Serv	15,204	A56501	15,681
Off-Street Parking, Contr Expend	9,938	A56504	5,272
<b>TOTAL Off-Street Parking</b>	<b>25,142</b>		<b>20,953</b>
<b>TOTAL Transportation</b>	<b>785,632</b>		<b>1,174,698</b>
Publicity, Contr Expend	4,385	A64104	5,210
<b>TOTAL Publicity</b>	<b>4,385</b>		<b>5,210</b>
Programs For Aging, Equip & Cap Outlay		A67722	7,000
<b>TOTAL Programs For Aging</b>	<b>0</b>		<b>7,000</b>
Other Eco & Dev, Contr Expend	11,000	A69894	11,000
<b>TOTAL Other Eco &amp; Dev</b>	<b>11,000</b>		<b>11,000</b>
<b>TOTAL Economic Assistance And Opportunity</b>	<b>15,385</b>		<b>23,210</b>
Parks, Pers Serv	24,195	A71101	22,380
Parks, Equip & Cap Outlay	6,152	A71102	505
Parks, Contr Expend	3,262	A71104	3,668
<b>TOTAL Parks</b>	<b>33,609</b>		<b>26,554</b>
Playgr & Rec Centers, Pers Serv	17,390	A71401	18,429

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(A) GENERAL

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Playgr & Rec Centers, Contr Expend	5,314	A71404	3,360
<b>TOTAL Playgr &amp; Rec Centers</b>	<b>22,704</b>		<b>21,789</b>
Special Rec Facility, Pers Serv	8,546	A71801	
Special Rec Facility, Contr Expend	3,138	A71804	1,724
<b>TOTAL Special Rec Facility</b>	<b>11,684</b>		<b>1,724</b>
Museum - Art Gallery, Contr Expend	135	A74504	1,003
<b>TOTAL Museum - Art Gallery</b>	<b>135</b>		<b>1,003</b>
Celebrations, Pers Serv	13	A75501	
Celebrations, Contr Expend		A75504	545
<b>TOTAL Celebrations</b>	<b>13</b>		<b>545</b>
Other Culture And Rec, Pers Serv	9,858	A79891	
Other Culture And Rec, Equip & Cap Outlay	164	A79892	2,223
Other Culture And Rec, Contr Expend	2,632	A79894	3,899
<b>TOTAL Other Culture And Rec</b>	<b>12,653</b>		<b>6,123</b>
<b>TOTAL Culture And Recreation</b>	<b>80,799</b>		<b>57,737</b>
Zoning, Pers Serv	19,696	A80101	17,702
Zoning, Contr Expend	8,950	A80104	8,976
<b>TOTAL Zoning</b>	<b>28,646</b>		<b>26,678</b>
Planning, Pers Serv	19,440	A80201	17,499
Planning, Contr Expend	5,592	A80204	5,844
<b>TOTAL Planning</b>	<b>25,031</b>		<b>23,343</b>
Research, Pers Serv	913	A80301	6,388
Research, Contr Expend	7,950	A80304	15,700
<b>TOTAL Research</b>	<b>8,863</b>		<b>22,088</b>
Sanitary Sewers, Pers Serv	30,653	A81201	38,412
Sanitary Sewers, Contr Expend	9,647	A81204	4,077
<b>TOTAL Sanitary Sewers</b>	<b>40,300</b>		<b>42,489</b>
Refuse & Garbage, Pers Serv	189,723	A81601	202,852
Refuse & Garbage, Equip & Cap Outlay		A81602	
Refuse & Garbage, Contr Expend	146,436	A81604	151,989
<b>TOTAL Refuse &amp; Garbage</b>	<b>336,159</b>		<b>354,840</b>
Street Cleaning, Pers Serv	12,469	A81701	13,488
Street Cleaning, Contr Expend	7,255	A81704	2,194
<b>TOTAL Street Cleaning</b>	<b>19,724</b>		<b>15,682</b>
Comm Beautification, Pers Serv		A85101	1,015
Comm Beautification, Contr Expend	795	A85104	396
<b>TOTAL Comm Beautification</b>	<b>795</b>		<b>1,411</b>
Drainage, Pers Serv	17,774	A85401	20,064
Drainage, Contr Expend	8,442	A85404	9,964
<b>TOTAL Drainage</b>	<b>26,216</b>		<b>30,028</b>
Shade Tree, Pers Serv	10,391	A85601	11,655
Shade Tree, Equip & Cap Outlay	399	A85602	33,066
Shade Tree, Contr Expend	9,938	A85604	133
<b>TOTAL Shade Tree</b>	<b>20,728</b>		<b>44,854</b>
Cemetery, Pers Serv	639	A88101	

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(A) GENERAL

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Cemetery, Equip & Cap Outlay		A88102	
Cemetery, Contr Expend	4,332	A88104	5,512
<b>TOTAL Cemetery</b>	<b>4,971</b>		<b>5,512</b>
Misc Home & Comm Serv, Contr Expend	588	A89894	359
<b>TOTAL Misc Home &amp; Comm Serv</b>	<b>588</b>		<b>359</b>
<b>TOTAL Home And Community Services</b>	<b>512,021</b>		<b>567,284</b>
State Retirement System	269,276	A90108	295,730
Police & Firemen Retirement, Empl Bnfts	192,153	A90158	213,900
Social Security, Employer Cont	175,808	A90308	177,959
Worker's Compensation, Empl Bnfts	295,269	A90408	160,697
Hospital & Medical (dental) Ins, Empl Bnft	421,608	A90608	423,796
Other Employee Benefits (spec)	13,246	A90898	7,509
<b>TOTAL Employee Benefits</b>	<b>1,367,360</b>		<b>1,279,591</b>
Debt Principal, Serial Bonds	335,000	A97106	335,000
<b>TOTAL Debt Principal</b>	<b>335,000</b>		<b>335,000</b>
Debt Interest, Serial Bonds	117,128	A97107	105,278
<b>TOTAL Debt Interest</b>	<b>117,128</b>		<b>105,278</b>
<b>TOTAL Expenditures</b>	<b>5,455,650</b>		<b>6,256,963</b>
Transfers, Other Funds	298,502	A99019	602,415
<b>TOTAL Operating Transfers</b>	<b>298,502</b>		<b>602,415</b>
<b>TOTAL Other Uses</b>	<b>298,502</b>		<b>602,415</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>5,754,152</b>		<b>6,859,377</b>

VILLAGE OF Fairport  
Annual Update Document  
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(A) GENERAL

**Analysis of Changes in Fund Balance**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>2,917,050</b>	<b>A8021</b>	<b>3,539,373</b>
Prior Period Adj -Increase In Fund Balance	24	A8012	
<b>Restated Fund Balance - Beg of Year</b>	<b>2,917,074</b>	<b>A8022</b>	<b>3,539,373</b>
ADD - REVENUES AND OTHER SOURCES	6,376,451		6,934,648
DEDUCT - EXPENDITURES AND OTHER USES	5,754,152		6,859,377
<b>Fund Balance - End of Year</b>	<b>3,539,373</b>	<b>A8029</b>	<b>3,614,643</b>

VILLAGE OF Fairport  
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(A) GENERAL

Budget Summary

Code Description	2014	EdpCode	2015
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	2,338,461	A1049N	2,424,296
Est Rev - Real Property Tax Items	229,218	A1099N	229,218
Est Rev - Non Property Tax Items	1,536,000	A1199N	1,583,000
Est Rev - Departmental Income	25,900	A1299N	26,125
Est Rev - Intergovernmental Charges	917,400	A2399N	937,867
Est Rev - Use of Money And Property	145,249	A2499N	143,249
Est Rev - Licenses And Permits	18,600	A2599N	23,800
Est Rev - Fines And Forfeitures	45,000	A2649N	47,500
Est Rev - Sale of Prop And Comp For Loss	111,000	A2699N	13,700
Est Rev - Miscellaneous Local Sources	49,900	A2799N	195,023
Est Rev - Interfund Revenues	352,802	A2801N	284,252
Est Rev - State Aid	294,535	A3099N	303,802
Est Rev - Federal Aid		A4099N	69,514
<b>TOTAL Estimated Revenues</b>	<b>6,064,065</b>		<b>6,281,346</b>
Estimated - Interfund Transfer		A5031N	70,000
Appropriated Reserve	569,800	A511N	70,000
Appropriated Fund Balance	235,000	A599N	250,000
<b>TOTAL Estimated Other Sources</b>	<b>804,800</b>		<b>390,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>6,868,865</b>		<b>6,671,346</b>

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(A) GENERAL

Budget Summary

Code Description	2014	EdpCode	2015
<b>Appropriations</b>			
App - General Government Support	879,608	A1999N	857,642
App - Public Safety	2,038,654	A3999N	1,619,602
App - Transportation	929,051	A5999N	1,160,956
App - Economic Assistance And Opportunity	24,000	A6999N	24,800
App - Culture And Recreation	144,079	A7999N	96,305
App - Home And Community Services	823,361	A8999N	641,059
App - Employee Benefits	1,457,333	A9199N	1,416,677
App - Debt Service	440,279	A9899N	449,305
<b>TOTAL Appropriations</b>	<b>6,736,365</b>		<b>6,266,346</b>
Other Budgetary Purposes	132,500	A962N	405,000
<b>TOTAL Other Uses</b>	<b>132,500</b>		<b>405,000</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>6,868,865</b>		<b>6,671,346</b>

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(EE) ENTERPRISE UTILITY

Statement of Net Position

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash	1,011,818	EE200	1,633,235
Petty Cash	600	EE210	600
<b>TOTAL Cash</b>	<b>1,012,418</b>		<b>1,633,835</b>
Accounts Receivable	576,220	EE380	727,456
Allowance For Receivables (credit)	-7,800	EE389	-12,000
<b>TOTAL Other Receivables (net)</b>	<b>568,420</b>		<b>715,456</b>
Due From Other Funds	1,710	EE391	13,446
<b>TOTAL Due From Other Funds</b>	<b>1,710</b>		<b>13,446</b>
Inventory	1,031,811	EE445	995,360
<b>TOTAL Inventories</b>	<b>1,031,811</b>		<b>995,360</b>
Prepaid Expenses	774,518	EE480	571,147
Deferred Charges	185,863	EE485	
<b>TOTAL Prepaid Expenses</b>	<b>960,381</b>		<b>571,147</b>
Cash, Special Reserves	1,478,933	EE230	864,610
Cash, Customers Deposits	303,501	EE235	308,659
<b>TOTAL Restricted Assets</b>	<b>1,782,434</b>		<b>1,173,269</b>
Land	600,069	EE101	600,069
Buildings	5,533,047	EE102	5,589,408
Improvements Other Than Buildings	41,891,272	EE103	43,067,948
Construction Work In Progress	33,895	EE105	102,321
Accum Depr, Imp Other Than Bld	-19,119,953	EE113	-20,212,556
<b>TOTAL Fixed Assets (net)</b>	<b>28,938,330</b>		<b>29,147,190</b>
Deferred Outflow of Resources		EE495	122,663
<b>TOTAL Deferred Outflows of Resources</b>	<b>0</b>		<b>122,663</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>34,295,504</b>		<b>34,372,366</b>

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(EE) ENTERPRISE UTILITY

Statement of Net Position

Code Description	2013	EdpCode	2014
Accounts Payable	939,997	EE600	1,064,339
<b>TOTAL Accounts Payable</b>	<b>939,997</b>		<b>1,064,339</b>
Accrued Liabilities	148,370	EE601	219,801
Accrued Interest Payable	7,613	EE651	7,312
<b>TOTAL Accrued Liabilities</b>	<b>155,983</b>		<b>227,113</b>
Retained Percentages-Contracts Payable	8,467	EE605	716
<b>TOTAL Retained Percentages</b>	<b>8,467</b>		<b>716</b>
Customers' Deposits	302,872	EE615	308,786
<b>TOTAL Other Deposits</b>	<b>302,872</b>		<b>308,786</b>
Other Post Employment Benefits	849,066	EE683	925,425
Compensated Absences	32,724	EE687	33,334
Other Liabilities	210,805	EE688	176,009
Other Long-Term Debt	229,103	EE689	140,853
<b>TOTAL Other Liabilities</b>	<b>1,321,698</b>		<b>1,275,621</b>
Due To Other Funds		EE630	78,918
<b>TOTAL Due To Other Funds</b>	<b>0</b>		<b>78,918</b>
Due To Other Governments	475,031	EE631	382,820
Due To Employees' Retirement	85,356	EE637	78,667
<b>TOTAL Due To Other Governments</b>	<b>560,387</b>		<b>461,487</b>
Bonds Payable	5,517,250	EE628	5,074,750
<b>TOTAL Bond And Long Term Liabilities</b>	<b>5,517,250</b>		<b>5,074,750</b>
<b>TOTAL Liabilities</b>	<b>8,806,654</b>		<b>8,491,730</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflow of Resources	44,459	EE691	39,759
<b>TOTAL Deferred Inflows of Resources</b>	<b>44,459</b>		<b>39,759</b>
<b>TOTAL Deferred Inflows of Resources</b>	<b>44,459</b>		<b>39,759</b>
<b>Fund Balance</b>			
Net Assets-Invsted In Cap Asts, Net Rltd D	23,377,840	EE920	24,054,250
Net Assets-Unrestricted (deficit)	2,066,551	EE924	1,786,627
<b>TOTAL Net Position</b>	<b>25,444,391</b>		<b>25,840,877</b>
<b>TOTAL Fund Balance</b>	<b>25,444,391</b>		<b>25,840,877</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>34,295,504</b>		<b>34,372,366</b>

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(EE) ENTERPRISE UTILITY

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Sale of Electric Power	21,282,236	EE2150	25,034,791
Interfund Revenues	196,794	EE2801	205,424
<b>TOTAL Charges For Services Within Locality</b>	<b>21,479,030</b>		<b>25,240,215</b>
Sales, Other	5,320	EE2655	5,815
Gain On Disposition of Assets	39,632	EE2675	31,500
<b>TOTAL Sale of Property And Compensation For Loss</b>	<b>44,952</b>		<b>37,315</b>
Interest And Earnings	3,647	EE2401	1,462
Rental of Real Property	35,810	EE2410	36,036
<b>TOTAL Use of Money And Property</b>	<b>39,457</b>		<b>37,498</b>
Unclassified (specify)	4,700	EE2770	4,701
<b>TOTAL Other</b>	<b>4,700</b>		<b>4,701</b>
<b>TOTAL Revenues</b>	<b>21,568,139</b>		<b>25,319,729</b>
<b>TOTAL Operating Revenue</b>	<b>21,568,139</b>		<b>25,319,729</b>

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(EE) ENTERPRISE UTILITY

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenses</b>			
Electric And Power, Pers Serv	2,054,892	EE84101	2,082,878
<b>TOTAL Electric And Power</b>	<b>2,054,892</b>		<b>2,082,878</b>
<b>TOTAL Personal Services</b>	<b>2,054,892</b>		<b>2,082,878</b>
Credit Card Fees		EE13754	
<b>TOTAL Credit Card Fees</b>	<b>0</b>		<b>0</b>
Taxes & Assess On Munic Prop, Contr Expend	714,679	EE19504	745,895
<b>TOTAL Taxes &amp; Assess On Munic Prop</b>	<b>714,679</b>		<b>745,895</b>
Payment In Lieu of Taxes	155,308	EE19554	100,000
<b>TOTAL Payment In Lieu of Taxes</b>	<b>155,308</b>		<b>100,000</b>
Prov For Uncoll Accts Rec, Contr Expend	7,804	EE19884	8,633
<b>TOTAL Prov For Uncoll Accts Rec</b>	<b>7,804</b>		<b>8,633</b>
Other General Govt Support	196,794	EE19894	205,424
<b>TOTAL Other General Govt Support</b>	<b>196,794</b>		<b>205,424</b>
Depreciation	1,340,152	EE19944	1,368,690
<b>TOTAL Depreciation</b>	<b>1,340,152</b>		<b>1,368,690</b>
Loss On Sale of Assets		EE19954	31,803
<b>TOTAL Loss On Sale of Assets</b>	<b>0</b>		<b>31,803</b>
Electric And Power, Contr Expend	16,187,536	EE84104	19,341,649
<b>TOTAL Electric And Power</b>	<b>16,187,536</b>		<b>19,341,649</b>
<b>TOTAL Contractual Expenses</b>	<b>18,602,273</b>		<b>21,802,094</b>
Electric And Power, Empl Bnfts	796,409	EE84108	858,843
<b>TOTAL Electric And Power</b>	<b>796,409</b>		<b>858,843</b>
<b>TOTAL Employee Benefits</b>	<b>796,409</b>		<b>858,843</b>
Debt Interest, Serial Bonds	182,632	EE97107	169,831
Other Debt, Interest	3,146	EE97897	9,597
<b>TOTAL Interest Expense</b>	<b>185,778</b>		<b>179,428</b>
<b>TOTAL Expenses</b>	<b>21,639,352</b>		<b>24,923,243</b>
<b>TOTAL Operating Expenses</b>	<b>21,639,352</b>		<b>24,923,243</b>

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(EE) ENTERPRISE UTILITY

**Analysis of Changes in Net Position**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Net Position</b>			
Net Position - Beginning of Year	25,515,604	EE8021	25,444,391
Restated Net Position - Beg of Year	25,515,604	EE8022	25,444,391
ADD - REVENUES AND OTHER SOURCES	21,568,139		25,319,729
DEDUCT - EXPENDITURES AND OTHER USES	21,639,352		24,923,243
Net Position - End of Year	25,444,391	EE8029	25,840,877

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(EE) ENTERPRISE UTILITY

Cash Flow

Code Description	2013	EdpCode	2014
Cash Rec'd From Providing Svcs	21,521,477	EE7111	25,116,651
Cash Payments Contr Exp	-14,802,035	EE7112	-17,675,933
Cash Payments Pers Svcs & Bnfts	-4,214,670	EE7113	-4,318,271
<b>TOTAL Cash Flows From Operating Activities</b>	<b>2,504,772</b>		<b>3,122,447</b>
Operating Grants Rec'd	37,433	EE7122	
<b>TOTAL Cash Flows From Non-Capital And Financing Activities</b>	<b>37,433</b>		<b>0</b>
Proceeds of Debt (capital)		EE7131	2,900,000
Principal Payments Debt (capital)	-540,195	EE7132	-3,430,750
Interest Expense (capital)	-180,879	EE7133	-173,896
Capital Contributed By Other Funds	-351,556	EE7135	-305,424
Payments To Contractors	-2,377,975	EE7136	-2,131,853
Proceeds From Sale of Assets	67,365	EE7138	31,500
<b>TOTAL Cash Flows From Capital And Related Financing Activities</b>	<b>-3,383,240</b>		<b>-3,110,423</b>
Sale of Investments	155,139	EE7152	609,165
Interest Income	2,136	EE7153	228
<b>TOTAL Cash Flows From Investing Activities</b>	<b>157,275</b>		<b>609,393</b>
Net Inc(dec) In Cash&cash Equiv	-683,760	EE7161	621,417
Cash&cash Equiv Beg of Year	1,695,578	EE7171	1,011,818
	<b>1,011,818</b>		<b>1,633,235</b>
Operating Income (loss)	902,858	EE7181	1,394,815
Depreciation	1,340,152	EE7182	1,368,690
Inc/dec In Assets-Other Than Cash	-137,595	EE7183	144,250
Inc/dec In Liabilities Other Than Cash	399,357	EE7184	214,692
<b>TOTAL Reconciliation of Operating Income To Cash</b>	<b>2,504,772</b>		<b>3,122,447</b>

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(EW) ENTERPRISE WATER

Statement of Net Position

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash	17,050	EW200	8,140
<b>TOTAL Cash</b>	<b>17,050</b>		<b>8,140</b>
Land	13,277	EW101	13,277
Improvements Other Than Buildings	1,075,774	EW103	1,075,774
Accum Depr, Imp Other Than Bld	-419,419	EW113	-437,750
<b>TOTAL Fixed Assets (net)</b>	<b>669,632</b>		<b>651,301</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>686,682</b>		<b>659,441</b>

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(EW) ENTERPRISE WATER

Statement of Net Position

Code Description	2013	EdpCode	2014
Due To Other Funds		EW630	131
<b>TOTAL Due To Other Funds</b>	<b>0</b>		<b>131</b>
<b>TOTAL Liabilities</b>	<b>0</b>		<b>131</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflow of Resources	313,700	EW691	303,700
<b>TOTAL Deferred Inflows of Resources</b>	<b>313,700</b>		<b>303,700</b>
<b>TOTAL Deferred Inflows of Resources</b>	<b>313,700</b>		<b>303,700</b>
<b>Fund Balance</b>			
Net Assets-Invested In Cap Asts, Net Rltd D	669,632	EW920	651,301
Net Assets-Unrestricted (deficit)	-296,650	EW924	-295,691
<b>TOTAL Net Position</b>	<b>372,982</b>		<b>355,610</b>
<b>TOTAL Fund Balance</b>	<b>372,982</b>		<b>355,610</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>686,682</b>		<b>659,441</b>

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(EW) ENTERPRISE WATER

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interest And Earnings	71	EW2401	12
Rental of Real Property	10,000	EW2410	10,000
<b>TOTAL Use of Money And Property</b>	<b>10,071</b>		<b>10,012</b>
Unclassified (specify)	9	EW2770	
<b>TOTAL Other</b>	<b>9</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>10,080</b>		<b>10,012</b>
<b>TOTAL Operating Revenue</b>	<b>10,080</b>		<b>10,012</b>

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(EW) ENTERPRISE WATER

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenses</b>			
Taxes & Assess On Munic Prop, Contr Expend	7,579	EW19504	7,697
<b>TOTAL Taxes &amp; Assess On Munic Prop</b>	<b>7,579</b>		<b>7,697</b>
Depreciation	18,331	EW19944	18,331
<b>TOTAL Depreciation</b>	<b>18,331</b>		<b>18,331</b>
Water Administration-Contr Expend	1,356	EW83104	1,356
<b>TOTAL Water Administration-Contr Expend</b>	<b>1,356</b>		<b>1,356</b>
<b>TOTAL Contractual Expenses</b>	<b>27,266</b>		<b>27,384</b>
<b>TOTAL Expenses</b>	<b>27,266</b>		<b>27,384</b>
Transfers, Other Funds	50,000	EW99019	
<b>TOTAL Transfers</b>	<b>50,000</b>		<b>0</b>
<b>TOTAL Other Uses</b>	<b>50,000</b>		<b>0</b>
<b>TOTAL Operating Expenses</b>	<b>77,266</b>		<b>27,384</b>

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(EW) ENTERPRISE WATER

**Analysis of Changes in Net Position**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Net Position</b>			
Net Position - Beginning of Year	440,168	EW8021	372,982
Restated Net Position - Beg of Year	440,168	EW8022	372,982
ADD - REVENUES AND OTHER SOURCES	10,080		10,012
DEDUCT - EXPENDITURES AND OTHER USES	77,266		27,384
Net Position - End of Year	372,982	EW8029	355,610

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(EW) ENTERPRISE WATER

Cash Flow

Code Description	2013	EdpCode	2014
Cash Payments Contr Exp	-58,926	EW7112	-8,922
<b>TOTAL Cash Flows From Operating Activities</b>	<b>-58,926</b>		<b>-8,922</b>
Interest Income	71	EW7153	12
<b>TOTAL Cash Flows From Investing Activities</b>	<b>71</b>		<b>12</b>
Net Inc(dec) In Cash&cash Equiv	-58,757	EW7161	-8,910
Cash&cash Equiv Beg of Year	75,807	EW7171	17,050
	<b>17,050</b>		<b>8,140</b>
Operating Income (loss)	-67,257	EW7181	-17,384
Depreciation	18,331	EW7182	18,331
Inc/dec In Liabilities Other Than Cash	-10,000	EW7184	-9,869
<b>TOTAL Reconciliation of Operating Income To Cash</b>	<b>-58,926</b>		<b>-8,922</b>

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(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash In Time Deposits	358,577	H201	281,270
<b>TOTAL Cash</b>	<b>358,577</b>		<b>281,270</b>
Due From Other Funds		H391	
<b>TOTAL Due From Other Funds</b>	<b>0</b>		<b>0</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>358,577</b>		<b>281,270</b>

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(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Fund Balance</b>			
Committed Fund Balance	358,577	H913	281,270
<b>TOTAL Committed Fund Balance</b>	<b>358,577</b>		<b>281,270</b>
<b>TOTAL Fund Balance</b>	<b>358,577</b>		<b>281,270</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>358,577</b>		<b>281,270</b>

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(H) CAPITAL PROJECTS

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interest And Earnings	535	H2401	493
<b>TOTAL Use of Money And Property</b>	<b>535</b>		<b>493</b>
Premium & Accrued Interest On Obligations	315	H2710	
<b>TOTAL Miscellaneous Local Sources</b>	<b>315</b>		<b>0</b>
Fed Aid, Transp Cap Proj	481,910	H4597	
<b>TOTAL Federal Aid</b>	<b>481,910</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>482,761</b>		<b>493</b>
Interfund Transfers	25,000	H5031	
<b>TOTAL Interfund Transfers</b>	<b>25,000</b>		<b>0</b>
Serial Bonds		H5710	
<b>TOTAL Proceeds of Obligations</b>	<b>0</b>		<b>0</b>
<b>TOTAL Other Sources</b>	<b>25,000</b>		<b>0</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>507,761</b>		<b>493</b>

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(H) CAPITAL PROJECTS

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Traffic Viol Bureau, Equip & Cap Outlay		H11302	
<b>TOTAL Traffic Viol Bureau</b>	<b>0</b>		<b>0</b>
<b>TOTAL General Government Support</b>	<b>0</b>		<b>0</b>
Fire, Equip & Cap Outlay		H34102	
<b>TOTAL Fire</b>	<b>0</b>		<b>0</b>
<b>TOTAL Public Safety</b>	<b>0</b>		<b>0</b>
Perm Improve Highway, Equip & Cap Outlay	113,731	H51122	
<b>TOTAL Perm Improve Highway</b>	<b>113,731</b>		<b>0</b>
<b>TOTAL Transportation</b>	<b>113,731</b>		<b>0</b>
Playgr & Rec Centers, Equip & Cap Outlay	158,499	H71402	
<b>TOTAL Playgr &amp; Rec Centers</b>	<b>158,499</b>		<b>0</b>
<b>TOTAL Culture And Recreation</b>	<b>158,499</b>		<b>0</b>
<b>TOTAL Expenditures</b>	<b>272,230</b>		<b>0</b>
Transfers, Other Funds	77,800	H99019	77,800
<b>TOTAL Operating Transfers</b>	<b>77,800</b>		<b>77,800</b>
<b>TOTAL Other Uses</b>	<b>77,800</b>		<b>77,800</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>350,030</b>		<b>77,800</b>

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(H) CAPITAL PROJECTS

**Analysis of Changes in Fund Balance**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>200,847</b>	<b>H8021</b>	<b>358,577</b>
Prior Period Adj -Decrease In Fund Balance	0	H8015	
<b>Restated Fund Balance - Beg of Year</b>	<b>200,846</b>	<b>H8022</b>	<b>358,577</b>
ADD - REVENUES AND OTHER SOURCES	507,761		493
DEDUCT - EXPENDITURES AND OTHER USES	350,030		77,800
<b>Fund Balance - End of Year</b>	<b>358,577</b>	<b>H8029</b>	<b>281,270</b>

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(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Land	483,027	K101	483,027
Buildings	5,638,053	K102	5,638,053
Machinery And Equipment	5,689,807	K104	6,286,404
<b>TOTAL Fixed Assets (net)</b>	<b>11,810,887</b>		<b>12,407,485</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>11,810,887</b>		<b>12,407,485</b>

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(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Liabilities, Deferred Inflows And Fund Balance</b>			
Total Non-Current Govt Assets	11,810,887	K159	12,407,485
<b>TOTAL Investments in Non-Current Government Assets</b>	<b>11,810,887</b>		<b>12,407,485</b>
<b>TOTAL Fund Balance</b>	<b>11,810,887</b>		<b>12,407,485</b>
<b>TOTAL</b>	<b>11,810,887</b>		<b>12,407,485</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(PN) PERMANENT

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash		PN200	
Cash In Time Deposits	23,009	PN201	23,009
<b>TOTAL Cash</b>	<b>23,009</b>		<b>23,009</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>23,009</b>		<b>23,009</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(PN) PERMANENT

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Fund Balance</b>			
Other Restricted Fund Balance	23,009	PN899	23,009
<b>TOTAL Restricted Fund Balance</b>	<b>23,009</b>		<b>23,009</b>
<b>TOTAL Fund Balance</b>	<b>23,009</b>		<b>23,009</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>23,009</b>		<b>23,009</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(PN) PERMANENT

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interest And Earnings	30	PN2401	8
<b>TOTAL Use of Money And Property</b>	<b>30</b>		<b>8</b>
<b>TOTAL Revenues</b>	<b>30</b>		<b>8</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>30</b>		<b>8</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(PN) PERMANENT

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Other Gen Gov Support, Contr Expend	2,769	PN19894	
<b>TOTAL Other Gen Gov Support</b>	<b>2,769</b>		<b>0</b>
<b>TOTAL General Government Support</b>	<b>2,769</b>		<b>0</b>
<b>TOTAL Expenditures</b>	<b>2,769</b>		<b>0</b>
Transfers, Other Funds	1,014	PN99019	8
<b>TOTAL Operating Transfers</b>	<b>1,014</b>		<b>8</b>
<b>TOTAL Other Uses</b>	<b>1,014</b>		<b>8</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>3,783</b>		<b>8</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(PN) PERMANENT

**Analysis of Changes in Fund Balance**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>26,762</b>	<b>PN8021</b>	<b>23,009</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>26,762</b>	<b>PN8022</b>	
ADD - REVENUES AND OTHER SOURCES	30		8
DEDUCT - EXPENDITURES AND OTHER USES	3,783		8
<b>Fund Balance - End of Year</b>	<b>23,009</b>	<b>PN8029</b>	<b>23,009</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TA) AGENCY

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash	36,705	TA200	33,993
<b>TOTAL Cash</b>	<b>36,705</b>		<b>33,993</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>36,705</b>		<b>33,993</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TA) AGENCY

Balance Sheet

Code Description	2013	EdpCode	2014
Due To Other Funds	15	TA630	
<b>TOTAL Due To Other Funds</b>	<b>15</b>		<b>0</b>
Disability Insurance	601	TA19	595
Group Insurance	7,093	TA20	2,375
Guaranty & Bid Deposits	375	TA30	375
Joint Tax Liens	1,628	TA41	1,628
Other Funds (specify)	26,993	TA85	29,019
<b>TOTAL Agency Liabilities</b>	<b>36,690</b>		<b>33,993</b>
<b>TOTAL Liabilities</b>	<b>36,705</b>		<b>33,993</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>36,705</b>		<b>33,993</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash	148,908	TE200	151,328
<b>TOTAL Cash</b>	<b>148,908</b>		<b>151,328</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>148,908</b>		<b>151,328</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2013	EdpCode	2014
Accounts Payable	2,275	TE600	1,866
<b>TOTAL Accounts Payable</b>	<b>2,275</b>		<b>1,866</b>
<b>TOTAL Liabilities</b>	<b>2,275</b>		<b>1,866</b>
<b>Fund Balance</b>			
Net Assets-Restricted For Other Purposes	19,000	TE923	19,000
Net Assets-Non Restricted	127,633	TE924	130,462
<b>TOTAL Assigned Fund Balance</b>	<b>146,633</b>		<b>149,462</b>
<b>TOTAL Fund Balance</b>	<b>146,633</b>		<b>149,462</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>148,908</b>		<b>151,328</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TE) PRIVATE PURPOSE TRUST

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interest And Earnings	275	TE2401	95
<b>TOTAL Use of Money And Property</b>	<b>275</b>		<b>95</b>
Gifts And Donations	425	TE2705	240
Other Revenue	13,955	TE2770	14,010
<b>TOTAL Miscellaneous Local Sources</b>	<b>14,380</b>		<b>14,250</b>
<b>TOTAL Revenues</b>	<b>14,655</b>		<b>14,345</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>14,655</b>		<b>14,345</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TE) PRIVATE PURPOSE TRUST

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Misc Home & Comm Serv, Cont Expend	11,111	TE89894	11,516
<b>TOTAL Misc Home &amp; Comm Serv</b>	<b>11,111</b>		<b>11,516</b>
<b>TOTAL Home And Community Services</b>	<b>11,111</b>		<b>11,516</b>
<b>TOTAL Expenditures</b>	<b>11,111</b>		<b>11,516</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>11,111</b>		<b>11,516</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(TE) PRIVATE PURPOSE TRUST

**Analysis of Changes in Net Position**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Net Position</b>			
<b>Fund Balance - Beginning of Year</b>	<b>143,089</b>	<b>TE8021</b>	<b>146,633</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>143,089</b>	<b>TE8022</b>	
ADD - REVENUES AND OTHER SOURCES	14,655		14,345
DEDUCT - EXPENDITURES AND OTHER USES	11,111		11,516
<b>Fund Balance - End of Year</b>	<b>146,633</b>	<b>TE8029</b>	<b>149,462</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(V) DEBT SERVICE

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Cash With Fiscal Agent	23	V223	
<b>TOTAL Cash</b>	<b>23</b>		<b>0</b>
Misc Current Assets		V489	
<b>TOTAL Other</b>	<b>0</b>		<b>0</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>23</b>		<b>0</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(V) DEBT SERVICE

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	23	V915	
<b>TOTAL Assigned Fund Balance</b>	<b>23</b>		<b>0</b>
<b>TOTAL Fund Balance</b>	<b>23</b>		<b>0</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>23</b>		<b>0</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(V) DEBT SERVICE

Results of Operation

Code Description	2013	EdpCode	2014
<b>Revenues</b>			
Interest And Earnings	423	V2401	
<b>TOTAL Use of Money And Property</b>	<b>423</b>		<b>0</b>
Premium & Accrued Interest On Obligations		V2710	
<b>TOTAL Miscellaneous Local Sources</b>	<b>0</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>423</b>		<b>0</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>423</b>		<b>0</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(V) DEBT SERVICE

Results of Operation

Code Description	2013	EdpCode	2014
<b>Expenditures</b>			
Other Govt Support, Contr Bnfts	315	V19894	
<b>TOTAL Other Govt Support</b>	<b>315</b>		<b>0</b>
<b>TOTAL General Government Support</b>	<b>315</b>		<b>0</b>
Debt Principal, Serial Bonds	1,350,000	V97106	
<b>TOTAL Debt Principal</b>	<b>1,350,000</b>		<b>0</b>
Debt Interest, Serial Bonds	28,594	V97107	
<b>TOTAL Debt Interest</b>	<b>28,594</b>		<b>0</b>
<b>TOTAL Expenditures</b>	<b>1,378,909</b>		<b>0</b>
Transfers, Other Funds		V99019	23
<b>TOTAL Operating Transfers</b>	<b>0</b>		<b>23</b>
<b>TOTAL Other Uses</b>	<b>0</b>		<b>23</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>1,378,909</b>		<b>23</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(V) DEBT SERVICE

**Analysis of Changes in Fund Balance**

Code Description	2013	EdpCode	2014
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>1,388,142</b>	<b>V8021</b>	<b>23</b>
Prior Period Adj -Decrease In Fund Balance	9,633	V8015	
<b>Restated Fund Balance - Beg of Year</b>	<b>1,378,510</b>	<b>V8022</b>	
ADD - REVENUES AND OTHER SOURCES	423		
DEDUCT - EXPENDITURES AND OTHER USES	1,378,909		23
<b>Fund Balance - End of Year</b>	<b>23</b>	<b>V8029</b>	<b>0</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2013	EdpCode	2014
<b>Assets</b>			
Total Non-Current Govt Liabilities	4,761,469	W129	4,568,783
<b>TOTAL Provision To Be Made In Future Budgets</b>	<b>4,761,469</b>		<b>4,568,783</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>4,761,469</b>		<b>4,568,783</b>

VILLAGE OF Fairport  
Annual Update Document  
For the Fiscal Year Ending 2014

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2013	EdpCode	2014
Other Post Employment Benefits	1,332,495	W683	1,576,494
Compensated Absences	45,127	W687	28,525
<b>TOTAL Other Liabilities</b>	<b>1,377,622</b>		<b>1,605,019</b>
Due To Employees' Retirement System	168,847	W637	83,764
<b>TOTAL Due To Other Governments</b>	<b>168,847</b>		<b>83,764</b>
Bonds Payable	3,215,000	W628	2,880,000
<b>TOTAL Bond And Long Term Liabilities</b>	<b>3,215,000</b>		<b>2,880,000</b>
<b>TOTAL Liabilities</b>	<b>4,761,469</b>		<b>4,568,783</b>
<b>TOTAL Liabilities</b>	<b>4,761,469</b>		<b>4,568,783</b>

**VILLAGE OF Fairport**  
**Statement of Indebtedness**  
**For the Fiscal Year Ending 2014**

8/19/2014

County of: Monroe

Municipal Code: 260465001630

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
2014	RAN E	Payment of Electric Costs			02/21/2014	05/31/2014	0.527%		\$2,900,000	\$0	\$2,900,000		\$0		\$0
<b>Total for Type/Exempt Status - Sums Issued Amt only made in AFR Year</b>									<b>\$2,900,000</b>	<b>\$0</b>	<b>\$2,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
2007	BOND N	DPW Building		Y	02/22/2007	05/15/2027	4.17%		\$1,600,000	\$1,260,000	\$65,000	\$0	\$0		\$1,195,000
2011	BOND N	Capital Improvement and equipm			05/18/2011	05/15/2030	4.05%		\$3,935,000	\$3,405,000	\$230,000	\$0	\$0		\$3,175,000
2012	BOND N	Fire Truck		Y	09/28/2011	05/15/2030	2.91%		\$688,000	\$620,000	\$35,000	\$0	\$0		\$585,000
2012	BOND N	2002&2003 Refunding			12/29/2011	11/15/2022	2.002%		\$3,878,750	\$3,447,250	\$447,500	\$0			\$2,999,750
<b>Total for Type/Exempt Status - Sums Issued Amt only made in AFR Year</b>									<b>\$0</b>	<b>\$8,732,250</b>	<b>\$777,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,954,750</b>
2013	OTHR N	Electric Vehicle Program			02/01/2013	01/01/2015	0.00%		\$9,907	\$8,806	\$3,302	\$0	\$0		\$5,504
2011	OTHR N	Weatheriz Prog			11/23/2010	04/01/2016	0.51%		\$248,850	\$185,863	\$63,200	\$0			\$122,663
2012	OTHR N	Electric Vehicle Program			10/28/2011	01/01/2015	0.00%		\$65,243	\$34,434	\$21,748	\$0	\$0		\$12,686
<b>Total for Type/Exempt Status - Sums Issued Amt only made in AFR Year</b>									<b>\$0</b>	<b>\$229,103</b>	<b>\$88,250</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$140,853</b>
<b>AFR Year Total for All Debt Types - Sums Issued Amt only made in AFR Year</b>									<b>\$2,900,000</b>	<b>\$8,961,353</b>	<b>\$3,765,750</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,095,603</b>

VILLAGE OF Fairport  
Schedule of Time Deposits and Investments  
For the Fiscal Year Ending 2014

	EDP Code	Amount
<b>CASH:</b>		
On Hand	9Z2001	\$750.00
Demand Deposits	9Z2011	\$6,181,687.00
Time Deposits	9Z2021	\$598,982.78
<b>Total</b>		<b>\$6,781,419.78</b>
 <b>COLLATERAL:</b>		
- FDIC Insurance	9Z2014	\$1,507,199.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$6,012,932.00
<b>Total</b>		<b>\$7,520,131.00</b>
 <b>INVESTMENTS:</b>		
- 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 Fairport  
Bank Reconciliation  
For the Fiscal Year Ending 2014

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-0547	\$5,913	\$7,596	\$0	\$13,509
****-2199	\$150,568	\$760	\$0	\$151,328
****-4793	\$3,217	\$0	\$0	\$3,217
****-5055	\$60,509	\$0	\$0	\$60,509
****-5307	\$16,332	\$0	\$0	\$16,332
****-5323	\$111,494	\$0	\$0	\$111,494
****-5404	\$76,104	\$0	\$0	\$76,104
****-5439	\$278,053	\$0	\$0	\$278,053
****-5522	\$686,486	\$0	\$0	\$686,486
****-5667	\$519,339	\$0	\$0	\$519,339
****-6283	\$481,527	\$0	\$0	\$481,527
****-9506	\$40,093	\$12,500	\$0	\$52,593
****-8372	\$51,608	\$0	\$51,607	\$1
****-5420	\$1,395,793	\$21,730	\$0	\$1,417,523
****-5331	\$97,239	\$0	\$0	\$97,239
****-3175	\$179,037	\$0	\$0	\$179,037
****-1301	\$194,140	\$0	\$0	\$194,140
****-4210	\$491,433	\$0	\$0	\$491,433
****-4229	\$310,144	\$0	\$1,485	\$308,659
****-1577	\$7,198	\$0	\$6,426	\$772
****-4237	\$8,140	\$0	\$0	\$8,140
****-1551	\$1,888,934	\$21,358	\$500,454	\$1,409,838
****-1344	\$49,973	\$0	\$0	\$49,973
****-4091	\$173,424	\$0	\$0	\$173,424

VILLAGE OF Fairport  
Bank Reconciliation  
For the Fiscal Year Ending 2014

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-5705	\$19,712	\$0	\$0	\$19,712
				Total Adjusted Bank Balance
				\$6,800,382
				Petty Cash
				\$750.00
				Adjustments
				\$0.00
			9ZCASH *	Total Cash
				\$6,801,132
			9ZCASHB *	Total Cash Balance All Funds
				\$6,801,132

\* Must be equal

VILLAGE OF Fairport  
Local Government Questionnaire  
For the Fiscal Year Ending 2014

	<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>Yes</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>Yes</u>
9) Has your Local Government adopted an investment policy as required by General Municipal Law, Section 39?	<u>Yes</u>

VILLAGE OF Fairport  
Employee and Retiree Benefits  
For the Fiscal Year Ending 2014

<b>Total Full Time Employees:</b>		69			
<b>Total Part Time Employees:</b>		44			
<b>Account Code</b>	<b>Description</b>	<b>Total Expenditures (All Funds)</b>	<b># of Full Time Employees</b>	<b># of Part Time Employees</b>	<b># of Retirees</b>
90108	State Retirement System	\$783,574.00	55	24	
90158	Police and Fire Retirement	\$213,900.00	9		
90258	Local Pension Fund				
90308	Social Security	\$369,829.00	69	44	
90408	Worker's Compensation Insurance	\$197,392.00	69	47	
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance				
90608	Hospital and Medical (Dental) Insurance	\$806,901.00	55		11
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits	\$19,876.00	20		
<b>Total</b>		<b>\$2,391,472.00</b>			
Computed Total From Financial Section (comparative purposes only)		<b>\$2,138,434.06</b>			

VILLAGE OF Fairport  
 Energy Costs and Consumption  
 For the Fiscal Year Ending 2014

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$65,834	21,380	gallons	
Diesel Fuel	\$96,940	28,284	gallons	
Fuel Oil	\$2,354	119	gallons	
Natural Gas	\$35,050	22,556	cubic feet	
Electricity	\$205,424	1,758,861	kilowatt-hours	
Coal			tons	

VILLAGE OF Fairport  
 Schedule of Other Post Employment Benefits (OPEB)  
 For the Fiscal Year Ending 2014

**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	\$2,501,919.00
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)	

VILLAGE OF Fairport  
Financial Comments  
For the Fiscal Year Ending 2014

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 1 - SUMMARY OF

SIGNIFICANT ACCOUNTING POLICIES

*a. Financial Reporting Entity*

The Village was incorporated in 1867 and is governed by the Village Law and other general laws of the State of New York and various local laws. The Board of Trustees is the legislative body responsible for overall operations, the Mayor serves as Chief Executive Officer, and the Village Treasurer serves as the Chief Fiscal Officer.

The following basic services are provided: police, fire, sanitary and storm sewers, street maintenance, snow removal, sidewalks, garbage and refuse collection, and electric.

All governmental activities and functions performed for the Village 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, (b) organizations for which the Village is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the Village are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement Nos. 14 and 39.

The decision to include a potential component in the Village's reporting entity is based on several criteria set forth in GASB Nos. 14, *The Financial Reporting Entity* and 39, *Determining Whether Certain Organizations Are Component Units* including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the Village's reporting entity, included in the reporting entity.

(1) Included in the reporting entity:

The Fairport Municipal Commission was established in 1902. The five members of the Fairport Municipal Commission are appointed by the Mayor with the approval of the Board of Trustees. Bonds and notes for the Municipal Commission are issued by the Village and are Village debt; however, the Commission's debt is essentially supported by operating revenues of the Commission.

(2) Excluded from the reporting entity:

Although the following organizations, functions, or activities are related to the Village, they are not included in the Village reporting entity because of the reasons noted:

The Fairport Urban Renewal and Industrial Development Agencies are Public Benefit Corporations created by state legislation to promote the economic welfare, recreation opportunities, and prosperity of the Village inhabitants. Members of the agencies are appointed by the Board of Trustees, but the Board of Trustees exercises no oversight responsibility. Agency members have complete responsibility for management of the agencies and accountability for fiscal matters. The Village is not liable for agency bonds or notes.

*b. Financial Statement Presentation*

The Village of Fairport, New York (Village) has elected to prepare its financial statements on the statutory basis required by the New York State Office of the State Comptroller (OSC) and the New York State Public Service Commission (PSC) for annual reports submitted to those agencies. This statutory basis varies from accounting principles generally accepted in the United States of America (GAAP) primarily in that under GAAP as established by the Governmental Accounting Standards Board (GASB):

- Financial statements include two new statements, the statement of net assets and the statement of activities, collectively referred to as the "government-wide" financial statements which are presented on the full accrual basis of accounting. Under the accrual basis, revenues and expenses are recognized when incurred regardless of when the actual cash receipt or disbursement occurred.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

b. *Financial Statement Presentation* - Continued

- A Management's Discussion and Analysis (MD&A) is required as supplemental information that precedes the basic financial statements and is intended to provide an objective analysis of the government's financial activities, both on a current and long-term basis, based on current conditions.
- Fund-based financial statements must be reconciled to the "government-wide" financial statements.
- Capital assets, other than land, are depreciated and reported on the "government-wide" statement of net assets at net book value, and depreciation expense is allocated to the major functions on the statement of activities based on the use of the underlying assets.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

c. *Use of Estimates*

In preparing the financial statements in conformity with the accounting principles described above, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

d. *Fund Accounting*

The Village uses funds and account groups 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.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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

Fund Categories:

- (1) 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 determination of financial position and changes in financial position. The following are the Village's governmental fund types.

General Fund - the principal operating fund and includes all operations not required to be recorded in other funds.

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

- (2) Proprietary Funds - used to account for ongoing organizations or activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position. The following proprietary funds are utilized.

Enterprise Fund - used to account for the following operations:

Electric Fund - used to account for the activities of the municipally-owned electric utility.

Water Fund - used to account for the activities of municipally-owned water utility that is leased and operated by the Monroe County Water Authority.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

d. *Fund Accounting* - Continued

(3) Fiduciary Funds - used to account for assets held by the Village in a trustee or custodial capacity:

Permanent Funds - used to account for non-expendable funds related to the Potter Memorial bequest and Greenvale Cemetery.

Trust and Agency Funds - used to account for money (and/or property) received and held by the Village in the capacity of trustee, custodian, or agent. These include expendable trusts, non-expendable trusts, and agency funds.

Account Groups - used to establish accounting control and accountability for general fixed assets and general long-term debt. The two account groups are not "funds." They are concerned with measurement of financial position and not results of operations.

General Fixed Assets Account Group - used to account for land, buildings, improvements other than buildings, and equipment utilized for general governmental purposes, except those accounted for in proprietary funds.

General Long-Term Debt Account Group - used to account for long-term debt except that accounted for in proprietary funds.

e. *Basis of Accounting/Measurement Focus*

Basis of accounting refers to when revenues and expenditures 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 and expenses.

Modified Accrual Basis - All Governmental Funds and Permanent 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.

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.

- (1) Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase.
- (2) Principal and interest on indebtedness are not recognized as expenditure until due.
- (3) Compensated absences accrued in the General Long-Term Debt Account Group, such as vacation and sick leave which vest or accumulate, are charged as expenditures when paid.

Accrual Basis - Proprietary funds are accounted for on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when incurred. Fixed assets and long-term liabilities related to these activities are recorded within the funds.

Property, plant, and equipment of the enterprise funds are stated at cost if purchased or at fair market value if donated. Major renewals and betterments are charged to the property accounts, while replacements, maintenance, and repairs which do not improve or extend the lives of the respective assets are expensed in the current period. Depreciation and amortization are provided over the estimated useful lives of the respective assets using the straight-line method.

Account Groups - General fixed assets are recorded at actual or estimated cost or, in the case of gifts and contributions, at the fair market value at the time received. No provision for depreciation is made. General long-term debt liabilities are recorded at the par value of the principal amount. No liability is recorded for interest payable to maturity.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

e. *Basis of Accounting/Measurement Focus - Continued*

Electric Fund - Financial statements are prepared on the accrual basis. Regulations require that the records be maintained in accordance with the *Uniform System of Accounts for Municipal Electric Utilities* prescribed by the New York State Department of Public Service (PSC), NYPA, and the Federal Energy Regulatory Commission (FERC). Operating revenues of the Electric Fund are determined based on customer usage and demand charged at base rates for each consumer class approved by NYPA. Purchased power costs incurred in excess of those costs included in the base rate calculation are passed on to the consumer at no profit or loss to the Electric Fund by means of a "Purchased Power Adjustment" (PPAC) factor. The pass-through of these costs to its customers is known as PPAC Revenues and is included in the Total Electric Revenues in these financial statements. The components of Net Operating Revenues related to customer electric usage were as follows:

	<u>Year Ended</u> <u>May 31, 2014</u>
Base revenues	\$ 19,220,813
PPA revenues	<u>5,980,988</u>
Total	<u>\$ 25,201,801</u>

Operating revenues generated by customer usage, service charges, demand charges, and PPAC yielded a 5.54¢ average per kilowatt hour sold during 2014.

NYPA and PSC regulations do not allow for the recognition of any "under (or over) billings" of PPA revenues, until these charges (or credits) are billed to the customer.

f. *Property Taxes*

Village real property taxes are levied no later than May 15 and become a lien on June 1. Taxes are collected during June without penalty. The county assumes enforcement responsibility for all taxes levied by the Village.

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.

g. *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the Capital Project Fund. Encumbrances are reported as reservations 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.

h. *Investments*

Investments are stated at cost, which approximates market value.

i. *Accounts Receivable*

Accounts receivable for the Proprietary Fund (Electric) are carried at the original invoice amount less an estimate made for doubtful accounts which is based on a review of historical amounts written off and actual inactive customer amounts outstanding. Accounts receivable are written off when deemed uncollectible. Management determines the amount of doubtful accounts to be written off on an annual basis by identifying customers that have moved out of the area, been turned over for collection, and have no account activity for the past six to eighteen months. The allowance for doubtful accounts within the Proprietary Fund (Electric) at May 31, 2014, was \$12,000.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

i. *Accounts Receivable* - Continued

Recoveries of accounts receivable amounts previously written off are recorded when received. During the year ended May 31, 2014, the Proprietary Fund (Electric) wrote off accounts receivable, net of recoveries, totaling \$4,433. An account receivable balance is considered to be past due if any portion of the receivable balance is outstanding for more than 23 days. Interest is charged on accounts receivable balances that are outstanding for more than 28 days and is recognized as it is charged. Interest continues to accrue while an account remains active. Once service is terminated and a final bill is issued, interest charges are suspended.

j. *Inventory*

Except for the enterprise funds, disbursements for inventory-type items are recorded as expenditures at the time of purchase. Inventories of the enterprise funds are valued at cost, based on a weighted average method.

k. *Property, Plant, and Equipment*

- (1) General Fund - Fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at costs in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets, consisting of certain infrastructure-type improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the Village. Therefore, the purposes of stewardship for capital expenditures can be satisfied without recording these assets.

No depreciation has been provided on general fixed assets, nor has interest on general fixed assets construction in progress been capitalized.

- (2) Proprietary Fund (Water) - Property, plant, and equipment acquired by the proprietary funds are stated at cost, including interest capitalized during construction where applicable. Contributed fixed assets are recorded at market value at the date received. Depreciation has been provided using the straight-line method over the estimated useful lives.
- (3) Proprietary Fund (Electric) - Under the provisions of the *Uniform System of Accounts for Municipal Electric Utilities*, operating property is recorded at cost and includes capitalized labor and overhead. Overhead costs include fringe benefits, supervision, warehouse, and truck costs. Operating property constructed with contributed capital received from customers or other parties is also included. Contributed capital totaled \$4,009,800 as of May 31, 2014. When operating property is retired, the book cost, together with the cost of removal, is charged to accumulated depreciation. The provision for depreciation has been computed, based on asset groups, under the straight-line method utilizing rates approved by the PSC and NYPA. These rates range from 1.7% to 12.5% per annum and are within the ranges recommended by FERC.

The Proprietary Funds' (Water and Electric) costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the operating property, as applicable.

Management periodically reviews long-lived assets for impairment to determine whether any events or circumstances indicate the carrying value of the assets may not be recoverable.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*l. Deferred Revenue*

Deferred revenue in the Proprietary Fund (Water) of \$303,700 represents a 40-year lease payment from the Monroe County Water Authority set to expire October 13, 2044. Revenue is recognized with the payment schedule set forth in the lease agreement. Deferred revenue in the Proprietary Fund (Electric) of \$39,759 represents Unamortized Premium on refinanced debt for the Operations Center.

*m. Long-Term Debt Obligations*

Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Schedule of Indebtedness.

Long-term liabilities expected to be financed from Electric Fund operations are accounted for in that Fund.

*n. Insurance*

The Village assumes the liability for most risks 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.

*o. Vacation and Sick Leave and Compensatory Absences*

Pursuant to a resolution of the Village Board and contractual agreements, Village employees are entitled to accrue a maximum of 200 days of sick leave and 5 days of vacation leave. Employees with at least 60 days of sick leave may be paid for a maximum of 8 days, and employees with at least 180 days of sick leave may be paid for a maximum of 14 days of sick leave at the rate of \$150 per day paid in the first pay period of June; accumulated sick leave may not fall below 60 days. An individual who leaves the employ of the Village is entitled to be paid only for unused vacation leave. No payments are made for unused personal or sick leave. Members of the Village Police Department may accrue a maximum of 175 days of sick leave and 5 days of vacation leave. Police may be paid for a maximum of 8 days of personal, sick, and/or vacation leave at straight time in the pay check of the pay period containing the employee's anniversary date. Expenditures for these fringe benefits are recognized at the time the benefit is paid, and payments for any earned and unused leave credits will be funded in future budgets.

*p. Postemployment Benefits*

In addition to providing pension benefits, the Village provides health insurance coverage for employees with a minimum of 10 years of full-time service who retire into the NYS Retirement System. The contribution is based on the Village's contribution for a one- or two-person policy at the time of retirement in the following percentages: 100% for employees with at least 20 years of service; 75% for employees with at least 15 years but less than 20 years of service; 50% for employees with at least 10 but less than 15 years of service. Non-police employees are covered for six years or until age 65, whichever is longer. For police with 10 but less than 15 years service, 50% until age 65, and for police with more than 15 years of service, 100% until age 65.

The Village participates in the Finger Lakes Health Insurance Trust, a consortium of local municipalities, that competitively bids credible experience rated coverage for the members of the trust. The Village recognizes the cost of providing such benefits by recording its share of insurance premiums as an expenditure the year paid. During the year, \$423,796 was paid by the Village, and \$383,105 was paid by the Electric and Water Funds on behalf of 55 employees and 11 retirees. The cost of providing benefits for retirees is not separable from the cost of providing benefits for active employees.

*q. Subsequent Events*

In preparing the Annual Financial Report Update Document and notes thereto, the Village has considered subsequent events through July 31, 2014, the date of the financial statements were available to be issued.

**VILLAGE OF FAIRPORT, NEW YORK**

**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014**

**NOTE 2 - 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 and in a municipal cooperative investment pool agreement located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at 105% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, and obligations of the state and its municipalities and school districts.

At year-end, the Village's total cash carrying amount was \$6,781,420. The bank balance of the Village's deposits was \$7,276,690 which was available for use and required collateral. Of the available bank balance, \$1,507,199 was covered by Federal Deposit Insurance (FDIC), and \$6,012,932 was covered by collateral with securities held by the pledging financial institution's trust department or agent in the Village's name.

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.

Reserved cash and cash equivalents are held for the following purposes:

Electric Fund:

Customer Deposits - The Electric Fund requires deposits from its customers prior to providing service. Unused deposits are returned to customers when service is terminated or who have been current with payments for one year and are segregated into a dedicated checking account. The balance of customer deposits was \$308,659 at May 31, 2014.

**NOTE 3 - INTERFUND ACTIVITY**

Interfund receivables and payables of the Village consisted of the following:

	May 31, 2014	
Fund	Due From Other Funds	Due To Other Funds
General		\$ 13,315
Electric Fund	13,315	-
Totals	\$ 13,315	\$ 13,315

The Village made the following transfers:

	May 31, 2014	
	Transfers In	Transfers Out
General	\$ 77,800	\$ -
Capital	-	77,800
Totals	\$ 77,800	\$ 77,800

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014

NOTE 4 - FIXED ASSETS

The following is a summary of changes in the account group of non-current governmental assets during the year:

Category	Year Ended May 31, 2014			Balance May 31, 2014
	Balance June 1, 2013	Additions	Deletions	
Land	\$ 483,027	\$ -	\$ -	\$ 483,027
Buildings	5,638,053	-	-	5,638,053
Machinery and equipment	5,689,807	628,557	31,960	6,286,404
	<u>\$ 11,810,887</u>	<u>\$ 628,557</u>	<u>\$ 31,960</u>	<u>\$ 12,407,484</u>

A summary of the Electric Fund's utility plant, at cost, is as follows:

Category	May 31, 2014			Balance May 31, 2014
	Balance June 1, 2013	Additions	Disposals/ Transfers	
Land	\$ 600,069	\$ -	\$ -	\$ 600,069
Buildings, improvements, and equipment	47,424,319	1,703,449	470,412	48,657,356
Plant in service	48,024,388	1,703,449	470,412	49,257,425
Accumulated depreciation	(19,119,953)	(1,596,276)	503,674	(20,212,555)
Plant in service, net	28,904,434	107,173	(33,262)	29,044,869
Construction in progress	33,895	1,781,287	1,712,861	102,321
Total net utility plan	<u>\$ 28,938,329</u>	<u>\$ 1,888,460</u>	<u>\$ 1,679,599</u>	<u>\$ 29,147,190</u>

A summary of the Enterprise Water Fund fixed assets is as follows:

Category	Year Ended May 31, 2014			Balance May 31, 2014
	Balance June 1, 2013	Additions	Deletions	
Land	\$ 13,277	\$ -	\$ -	\$ 13,277
Improvements	1,075,774	-	-	1,075,774
Total	1,089,051	-	-	1,089,051
Accumulated depreciation	(419,419)	\$ (18,331)	-	(437,750)
Total Water Fund assets, net	<u>\$ 669,632</u>	<u>\$ (18,331)</u>	<u>\$ -</u>	<u>\$ 651,301</u>

**VILLAGE OF FAIRPORT, NEW YORK**

**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**NOTE 5 - INDEBTEDNESS**

In addition to the indebtedness of the Village as presented in the long-term debt group of accounts, the Village has pledged its full faith and credit for the indebtedness incurred by the Fairport Municipal Commission. As of May 31, 2014, the Commission has made the scheduled payments on its indebtedness from revenues earned by the Electric and Water Funds.

Serial Bonds - 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 backed by the full faith and credit debt of the local government, are recorded in the General Long-Term Debt Account Group and the Enterprise Fund in the case of electric and water debt. 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. Enterprise fund debt is liquidated with enterprise income.

At May 31, 2014, the Village, including the Fairport Municipal Commission (Electric), had \$9,959,642 in outstanding indebtedness as shown in the following summary. Of this amount, \$7,339,754 was subject to the constitutional debt limit.

	Original Date Issued/ Maturity	Interest Rate %	Outstanding at May 31, 2013	Issued	Payments	Outstanding at May 31, 2014
<b>General Fund</b>						
Fire Truck	2011/2030	2.91	\$ 620,000		\$ 35,000	\$ 585,000
Fire station improvement refund	2011/2022	2.002	1,335,000		235,000	\$ 1,100,000
DPW building	2007/2027	4.170	1,260,000	-	65,000	1,195,000
<b>Electric Fund</b>						
Operations center refunded	2011/2023	2.002	2,112,250		212,500	1,899,750
Vehicle	2013/2015	0.000	8,806		3,302	5,504
Vehicle	2011/2015	0.000	34,434		21,748	12,686
Weatherize program	2010/2016	0.510	185,863		63,200	122,663
Substation and vehicles	2011/2030	4.050	3,405,000	-	230,000	3,175,000
Total general obligation			<u>\$ 8,341,353</u>	<u>\$ -</u>	<u>\$ 865,750</u>	<u>\$ 8,095,603</u>

The annual repayment of principal and interest on debt is as follows:

Year Ending May 31,	Lease Principal	Serial Bond Principal	Total Principal	Interest	Total
2015	71,354	802,500	873,854	251,722	1,125,576
2016	59,186	767,500	826,686	227,773	1,054,459
2017	-	772,500	772,500	205,898	978,398
2018	-	602,500	602,500	186,782	789,282
2019	-	597,500	597,500	169,003	766,503
2020 through 2024	-	3,013,250	3,013,250	3,458,784	6,472,034
2025 through 2029	-	1,909,000	1,909,000	204,775	2,113,775
2030 through 2034	-	690,000	690,000	8,764	698,764
	<u>\$ 130,540</u>	<u>\$ 9,154,750</u>	<u>\$ 9,285,290</u>	<u>\$ 4,713,501</u>	<u>\$ 13,998,791</u>

Note: \$297,750 of additional indebtedness for the Fairport Municipal Commission is not included in the numbers above, because it is reimbursable through a forty (40) year Retail Lease Agreement with the Monroe County Water Authority. This sum has been "Economically Defeased" and is not included anywhere in this report.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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NOTE 6 - RETIREMENT PLANS

Plan Description

The Village participates in the New York State Employees' Retirement System (ERS), the New York State Policemen's and Firemen's 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 Comptroller of the State of New York 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 obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, New York 12244.

Funding Policy

The Systems are non-contributory except for (1) 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 10 years of membership and (2) employees who join after January 1, 2010, and police and fire personnel who join after January 9, 2010, will contribute 3% of their salary for their entire career. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Village is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

	Municipal Commission ERS	Village	
		Employees ERS	Police PFRS
2014	\$ 487,844	\$ 295,730	\$ 213,900
2013	445,333	269,276	192,153
2012	396,633	261,711	167,314

The Village's contributions made to the Systems were equal to 100% of the contributions required for each year.

NOTE 7 - PRIOR PERIOD ADJUSTMENTS

There were no prior period adjustments recorded for the fiscal year ending May 31, 2014.

**VILLAGE OF FAIRPORT, NEW YORK**

**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**NOTE 8 - FUND BALANCE DESIGNATIONS AND RESERVES**

The General Fund equity includes capital reserve funds established for the following purposes:

Purpose	Balance at May 31, 2014
Rolling fire equipment	\$ 16,332
Street and sewer	269,872
Land and building	97,239
DPW rolling equipment	76,104
Workers' compensation	165,575
Fire personnel equipment reserve	<u>52,593</u>
Total	<u><u>\$ 677,715</u></u>

**NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description* - The Village administers a single-employer defined benefit healthcare plan (“the Plan”). The Plan provides for continuation of medical insurance benefits for certain retirees and their families and can be amended by action of the Village subject to applicable collective bargaining and employment agreements. Employees covered include those eligible to retire under the New York State Employees’ Retirement System (ERS) with 15 years of service or eligible to retire under the New York State Policemen’s and Firemen’s Retirement System (PFRS) with 10 years of service. The Plan is open to new entrants. The Plan is subject to good faith collective bargaining between the Village and these covered employees. The Plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

*Funding Policy* - The obligations of the Plan members, employers, and other entities are established by action of the Village pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. The employer currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the Plan are paid by the Village. For the year ended May 31, 2014, the Village contributed \$105,237 (expected) to the Plan.

*Annual OPEB Cost and Net OPEB Obligation* - The Village’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to 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 expected to be contributed to the Plan, and changes in the Village’s net OPEB obligation to the Plan:

Annual required contribution and OPEB expense	\$ 471,028
Contributions made (estimated)	<u>(130,103)</u>
Increase in net OPEB obligation	340,925
Net OPEB obligation, beginning of year	<u>2,181,561</u>
Net OPEB obligation, end of year	<u><u>\$ 2,522,486</u></u>

**VILLAGE OF FAIRPORT, NEW YORK**

**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
May 31, 2014**

**NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - Continued**

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal year ended May 31, 2014, was as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
5/31/2014	\$ 471,028	27.62%	\$ 2,522,486.0
5/31/2013	\$ 189,468	97.90%	\$ 2,181,561.0
5/31/2012	\$ 189,468	55.54%	\$ 2,166,011.0

*Funded Status and Funding Progress.* As of May 31, 2014, the actuarial accrued liability for benefits was \$2,501,919, all of which was unfunded.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Methods and Assumptions* - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The 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. The following simplifying assumptions were made:

*Retirement age for active employees* - Based on the historical average retirement age for the covered group according to the New York State Retirement System schedule, active non-police plan members were assumed to retire from age fifty-five to seventy. Police plan members are assumed to from age fifty-nine and older.

*Marital status* - 70% of employees are assumed married. Females are assumed to be three years younger than males. Actual spouse coverage information was used for retirees where available.

*Mortality* - Life expectancies were based on RP 2000 mortality tables for males and females.

*Turnover* - The 2003 Society of Actuaries small plan withdrawal, scaled 75% for police, was used as the basis for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

*Healthcare cost trend rate* - The expected rate of increase in healthcare insurance premiums ranged from 7.8%, starting in 2014, to 5.3%, in 2020.

*Health insurance premiums* - 2014 health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

**VILLAGE OF FAIRPORT, NEW YORK**

**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - Continued**

*Payroll growth rate* - No salary increases were assumed since benefits are not based on compensation.

Based on the historical and expected returns of the Village’s short-term investment portfolio, a discount rate of 4% was used. In addition, the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over a thirty-year period.

**REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Funding Progress for the Retiree Health Plan**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Simplified Entry Age (b)	Unfunded AAL (UAAL) (b/a)	Funded Ratio (a/b)
1/1/2014	\$ -	\$ 2,501,919	\$ 2,501,919	0.00%
1/1/2013	-	2,113,911	2,113,911	0.00%
1/1/2011	-	2,044,174	2,044,174	0.00%
10/31/2008	-	2,011,280	2,011,280	0.00%

**NOTE 10 - COMMITMENTS AND CONTIGENCIES**

The Village entered into a retail lease agreement for the operation of its water and distribution system with the Monroe County Water Authority on October 13, 2004. The forty (40) year lease requires the Monroe County Water Authority to assume responsibility and cost for all repairs and replacements done to the system. The Village retains sole rights to revenues derived from antennae lease agreements in place prior to the lease agreement and will share in any additional agreement after that date. The Authority also assumes the responsibility for payment of the bond associated with the Fairport Municipal Commission Operations building allocated to the water operations prior to the agreement.

**NOTE 11 - BUDGET POLICIES**

No later than March 31, the budget officer submits a tentative budget to the Board of Trustees for the fiscal year commencing the following June 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.

After public hearings are conducted to obtain taxpayer comments, no later than April 15, the governing board adopts the budget.

Budgets are prepared for proprietary funds to establish the estimated contributions required from other funds and to control expenditures.

**NOTE 12 - ACCOUNTING STANDARDS NOT YET IMPLEMENTED**

In December 2010, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting pronouncements issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

VILLAGE OF FAIRPORT, NEW YORK

NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**NOTE 12 - ACCOUNTING STANDARDS NOT YET IMPLEMENTED - Continued**

This statement also supersedes GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, thereby eliminating the election provided in paragraph 7 of that statement for enterprise funds and business-type activities to apply post-November 30, 1989 FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, those entities can continue to apply, as other accounting literature, post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements, including this statement.

GASB Statement No. 62 is effective for financial statements for periods beginning after December 15, 2011; however, early adoption is encouraged. The Village has not yet adopted this statement.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. The objective of this statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. This statement is effective for all state and local governments for periods beginning after December 15, 2011.

The Village has not yet determined the financial effects of implementing the requirements of these accounting standards.