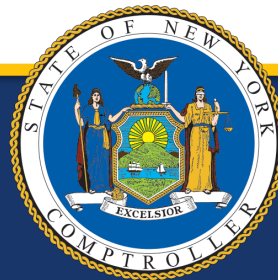


The Annual Financial Report

Jacklyn Postulka, Auditor 2, Data Management Unit

Joseph Testa, Auditor 1, Local Official Training

Division of Local Government and School Accountability



New York State Comptroller
THOMAS P. DINAPOLI

Training Objectives

- Filing Compliance
- Getting Started
 - How to enroll in AFR
 - Navigating the system
- Differences from the old AUD
- Supplemental Schedules
- Validation Rules
- Common errors
- Training Resources



Filing Compliance

Delinquent Filers

- Fiscal Stress Monitoring System
 - Lists government as a non-filer
 - May affect bond ratings
- System marks current report “Available”
 - May require contacting OSC to unlock filings from past years



Getting Started

Application Enrollment

- Accessed through OSC Online Services
- Update Contact information
- Chief Fiscal Officer
 - Primary Authorizer
 - Creates accounts for other users (preparers)
 - Municipality Chief Financial Officer
 - Certifies report
 - Only CFO should have this role



Getting Started

Application Enrollment-CFO

Info Permissions Locations Activity Logs

Online Services Applications

Enrollment (ENROLLMENT) 1

Local Government Real Property Tax Cap Filing System (LGPTC) 6

Local Government Annual Financial Reporting System (LGAFR) 1

<input type="checkbox"/>	Municipal Tax Limit Authorizer Authorizer role that can view/create/update/delete any Tax Limit User for their municipality but has no view/create/update/delete privileges for any Tax Limit report data.
<input type="checkbox"/>	Municipal Tax Cap Authorizer Authorizer role that can view/create/update/delete any Tax Cap User for their municipality but has no view/create/update/delete privileges for any Tax Cap report data.
<input type="checkbox"/>	Municipal Tax Data Authorizer Authorizer role that can view/create/update/delete any Tax Data Verification User for their municipality but has no read-only/edit/send/approve privileges for any Tax Data Verification data.
<input type="checkbox"/>	Assessment Roll Verification Authorizer Authorizer role that can view/create/update/delete any Assessment Roll Verification User for their municipality but has no read-only/edit/send/approve privileges for any Assessment Roll Verification data.
<input checked="" type="checkbox"/>	Annual Financial Reporting Authorizer Authorizer role that can manage any Annual Financial Reporting User for their municipality but has no read-only/edit/send/approve privileges for any Annual Financial Reporting data.

Primary Authorizer Access for CFO's ONLY!



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THOMAS P. DiNAPOLI

Getting Started

Application Enrollment-CFO

Info

Permissions

Locations

Online Services Applications

Enrollment (ENROLLMENT) **1**

Local Government Real Property Tax Cap Filing System (LGPTC) **6**

Local Government Annual Financial Reporting System (LGAFR) **1**



Municipality Chief Financial Officer

Annual Financial Reporting Certifier and Preparer for the municipality. Responsible for assigning additional Preparers if needed.



Municipality AFR Preparer

Annual Financial Reporting Preparer for the municipality.



Getting Started

Setting up Preparers

- Do not share usernames/passwords
- Primary Authorizer creates preparer user accounts
- CFO must start filing
- CFO must select report preparer(s)



Getting Started

Setting Up Preparers

 Info

 Permissions

 Locations

Online Services Applications

Enrollment (ENROLLMENT)

Local Government Real Property Tax Cap Filing System (LGPTC)

Local Government Annual Financial Reporting System (LGAFR) **1**



Municipality Chief Financial Officer

Annual Financial Reporting Certifier and Preparer for the municipality. Responsible for assigning additional Preparers if needed.



Municipality AFR Preparer

Annual Financial Reporting Preparer for the municipality.



Filing Selection

Filing Selection

Home

Select filing below to view or edit its content.

Showing 1 to 10 of 15

<< < 1 2 > >>

Actions	Fiscal Period Start	Fiscal Period End	Deadline	Chief Financial Officer	Status
Select	06/01/2026	05/31/2027	07/31/2027	User not found (CFO_UNKNOWN)	Unavailable
Select	06/01/2025	05/31/2026	07/31/2026	User not found (voe23001)	Unavailable
Select	06/01/2024	05/31/2025	07/31/2025	User not found (voe23001)	Unavailable
Select	06/01/2023	05/31/2024	07/31/2024	Jay Phillips (voe23003)	Available
Select	06/01/2022	05/31/2023	07/31/2023	Jay Phillips (voe23003)	Closed - Reviewed



Annual Financial Report [Home](#) [Filing Summary](#) [Financial Statements](#) [Schedules](#) [Apps](#) Jay Phillips (tnhem003)

Example - TOWN
Code: 280359700000 FYE: 12/31
Filing Period: 01/01/2023 - 12/31/2023
Status: In Progress

01/01/2023 - 12/31/2023

[Filing Summary](#)

[Reports](#)

01/01/2023 - 12/31/2023

Filing Summary

Filing Information [Edit](#)

Due Date
This filing is due on **03/01/2024**. In Progress

Chief Financial Officer
Jay Phillips (tnhem003)
Preparer(s)
⚠ No preparers have been assigned to this filing.

Workflow

Available Actions

Return the filing to the *Available* status and reset data for Financial Statements, Schedules, Associated Tasks, Filing Preparer(s) and Filing History.
(This action is permanent and cannot be undone.)

[Reset Filing](#)

I, **Jay Phillips**, request a filing extension for the **Town** of **Example** for the fiscal period end of **12/31/2023** on **12/28/2021**.
If approved, filing will be extended until **04/30/2024**. Provide a reason for the extension below.

(Limited to a 1000 characters)

A response to your request will be provided by email.

[Request Filing Extension](#)

Tasks

	Section	Last Modified
<input checked="" type="checkbox"/>	Complete A - General Fund Financial Statements	12/20/2021 09:52:38 AM Jay Phillips (tnhem003)
<input type="checkbox"/>	Complete H - Capital Projects Fund Financial Statements	12/13/2021 11:44:54 AM Jay Phillips (tnhem003)
<input type="checkbox"/>	Complete K - General Fixed Assets Fund Financial Statements	12/13/2021 11:45:29 AM Jay Phillips (tnhem003)
<input type="checkbox"/>	Complete W - General Long Term Debt Fund Financial Statements	12/13/2021 11:45:16 AM Jay Phillips (tnhem003)
<input type="checkbox"/>	Complete Financial Statements Validation Financial Statements	
<input type="checkbox"/>	Complete Statement of Indebtedness Schedules	
<input type="checkbox"/>	Complete Bond Repayment Schedules	
<input type="checkbox"/>	Complete Bank Reconciliation Schedules	
<input type="checkbox"/>	Complete Employee and Retiree Benefits Schedules	
<input checked="" type="checkbox"/>	Complete Energy Costs & Consumption Schedules	12/20/2021 09:57:16 AM Jay Phillips (tnhem003)


Filing Summary

Create reports, select preparers, request extension, track task completion



New York State Comptroller
THOMAS P. DiNAPOLI

Filing Information Section

Filing Information  Edit

Due Date
This filing is due on **03/01/2024**.

Status
🕒 In Progress

Chief Financial Officer

Preparer(s)
⚠️ No preparers have been assigned to this filing.

Edit Filing Information ✕

Preparers Information

Filter Results:

- Municipal User1 (MUser@demo.gov)
- Municipal User2 (MUser@demo.gov)
- Municipal User3 (MUser@demo.gov)
- Municipal User4 (MUser@demo.gov)
- Municipal User5 (MUser@demo.gov)

Save



Workflow Section

Workflow

Available Actions

Return the filing to the *Available* status and reset data for Financial Statements, Schedules, Associated Tasks, Filing Preparer(s) and Filing History.

(This action is permanent and cannot be undone.)

[Reset Filing](#)

I, **Jay Phillips**, request a filing extension for the **Town of Example** for the fiscal period end of **12/31/2023** on **12/28/2021**.

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A response to your request will be provided by email.

[Request Filing Extension](#)



Tasks Section

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Section	Last Modified
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<input checked="" type="checkbox"/> Complete Energy Costs & Consumption Schedules	12/20/2021 09:57:16 AM Jay Phillips (tnhem003)



Results of Operations

Financial Statement

[Revenues and Other Sources](#)

[Expenditures and Other Uses](#)

[Manage Codes](#)



01/01/2023 - 12/31/2023

01/01/2022 - 12/31/2022

01/01/2021 - 12/31/2021

Revenues and Other Sources

Revenues

Property Taxes

1001 - Real Property Taxes	\$	500,000.00	-	-
1030 - Special Assessments	\$	500.00	-	-

Managing Codes

Adding and removing codes, data entry



New York State Comptroller
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Financial Statements

Bulk Load

- Allows import of account code entries
 - Import file must be in correct format
- Two options for bulk load:
 - Replace all financials
 - Merge file with financials
- Bulk load not available for supplemental schedules



Validation Summary

Mark as Complete



Deselect

This section cannot be completed until the following critical issues are resolved.

	Assets & Deferred Outflows must equal Liabilities, Deferred Inflows & Fund Balance	\$250,000.00 Total Assets & Deferred Outflows	\$2,978,671.00 Total Liabilities, Deferred Inflows, and Fund Balance	\$2,728,671.00 Difference \$
	Edit Please complete the Adopted Budget Summary or explain why there is no budget. demo			

Last updated on Mon, Apr 17 2023 11:51:26 AM by Jay Phillips (egfd001).

Section Information

Status

In Progress

Created By

Jay Phillips (egfd001) on Mon, Apr 17 2023 09:40:16 AM.

Last Modified By

Jay Phillips (egfd001) on Mon, Apr 17 2023 11:51:26 AM.

Fund Category

Governmental Fund

Fund Type

General Fund

Fund Summary Page

Completing a fund



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Financial Statements

- Sub-funds no longer reported
 - Report aggregated as one fund
- Enterprise Fund Budget Summary
- Negative entries restricted
- New Codes
 - Code 90168 – Fire Retirement expenditures
 - Code 633 – Due to Financial Institution for Overdrawn Accounts



Supplemental Schedules

Completed After Financials

- Statement of Indebtedness
- Bond Repayment
 - New schedule for Annual Financial Report
- Bank Reconciliation
 - Merged with Investments and Deposits
- Employee and Retiree Benefits



Statement of Indebtedness

Reporting Changes

- Bond issuance reported as one debt record
- Proprietary fund activity separated
- Debt records linked to financials
- No longer will report exempt status
- Refunded debt reporting
 - Current vs advanced refunding
- Interest expense



Statement of Indebtedness

Proprietary Funds

Enter the amount of the debt issued into proprietary funds *

\$		1,000,000.00
----	--	--------------

Amount between 0 and 1,500,000.00.

Enter the principal paid out of proprietary funds *

\$		0.00
----	--	------



Statement of Indebtedness

Responsible Funds

SW - Special District(s) Water	✓
TC - Custodial	
V - Debt Service	✓
SW - Special District(s) Water, V - Debt Service ▲	

Select the funds responsible for paying the debt is required



Statement of Indebtedness

Principal and Interest

Enter the principal paid during the reporting period, excluding refunded debt *

\$	100,000.00
----	------------

Amount between 0 and 999,999,999,999.99.

Total Debt Payments

\$	100,000.00
----	------------

Enter the interest paid during the reporting period *

\$	5,000.00
----	----------

Amount between 0 and 999,999,999,999.99.



Statement of Indebtedness

Bond Anticipation Note (BAN) Renewals

If the BAN was renewed, enter the amount renewed *

\$ 50,000.00

Amount between 0 and 5,000,000.00.

If new money was issued, enter the amount *

\$ 0.00

Amount between 0 and 999,999,999,999.99.

Enter the new maturity date *

05/31/2024



Statement of Indebtedness

BANs paid with Bond Proceeds

Enter the amount of debt paid from bond proceeds *

\$	20,000.00
----	-----------

Amount between 0 and 999,999,999,999.99.

Enter the principal paid during the reporting period, excluding payments from bond proceeds *

\$	10,000.00
----	-----------

Amount between 0 and 999,999,999,999.99.



Statement of Indebtedness

Bond Refunding

If the bond was refunded, enter the amount refunded

\$

Amount between 0 and 999,999,999,999.99.

Select the type of refunding *

Choose One ▼

- Choose One
- CURRENT
- ADVANCED



Supplemental Schedules

Bond Repayment

- Summarizes annual bond debt service
- Linked to Statement of Indebtedness (SOI)
 - SOI needs to be marked complete first
 - Principal payments should match SOI records and future maturity schedules



Bond Repayment

Schedule

Validation Summary

Mark as Complete

Summary [Edit](#)

For each fiscal year below enter the total amount of all Bond principal and Bond interest payable for that fiscal year. The system will populate the fiscal years in the table based upon the maturity dates entered in the Statement of Indebtedness. The Total Due Column is calculated as the total of the Principal Due and Interest Due for the individual fiscal years. The Balance column is calculated as the amount of principal outstanding for all Bonds at the end of that fiscal year. The Balance should end at zero in the last fiscal year.

Fiscal Year Ending	Bond Principal Due	Bond Interest Due	Total Due	Remaining Principal Balance
2031	\$0.00	\$0.00	\$0.00	\$180,000.00
2032	\$0.00	\$0.00	\$0.00	\$180,000.00
2033	\$0.00	\$0.00	\$0.00	\$180,000.00
2034	\$0.00	\$0.00	\$0.00	\$180,000.00
2035	\$0.00	\$0.00	\$0.00	\$180,000.00
2036	\$0.00	\$0.00	\$0.00	\$180,000.00
2037	\$0.00	\$0.00	\$0.00	\$180,000.00
2038	\$0.00	\$0.00	\$0.00	\$180,000.00
2039	\$0.00	\$0.00	\$0.00	\$180,000.00
Total	\$0.00	\$0.00	\$0.00	

\$180,000.00 Total Bond Ending Balance from Statement Of Indebtedness

Report annual bond principal and interest payments

Validation will compare against Statement of Indebtedness



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Supplemental Schedules

Bank Reconciliation

- Bank accounts linked to funds
 - Cash balances should match cash codes
- Collateralization of deposits and investments



Bank Reconciliation

Schedule

Associated Fund(s) *

Validation Summary

Mark as Complete

Accounts

Include all checking, savings, C.D., and other accounts.

Account No	Account Type	Associated Fund(s)	Bank Balance	Deposits in Transit	Outstanding Checks	Adjustments	Total
Edit 101	Checking	TC, H, A	\$10,000.00	\$500.00	(\$500.00)	\$100.00	\$10,100.00
Total			\$10,000.00	\$500.00	(\$500.00)	\$100.00	\$10,100.00
Total Cash Balance From Financials							\$100,000.00

[Export to CSV](#)

Collateralization of Cash

[Edit](#)

Total Bank Balance	\$10,000.00
FDIC Insurance	\$0.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$0.00
Total of FDIC Insurance and Collateralized with securities held in possession of the municipality or its agent or otherwise secured	\$0.00

Investments and Collateralization of Investments

[Edit](#)

Investments from Financials	\$0.00
Market Value as of Fiscal Year End Date	\$0.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$0.00

Complete all three sections

Validation rules will compare balances against financial statements



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Supplemental Schedules

Employee and Retiree Benefits

- New Disclaimer Option
- Clarifies/summarizes objects of employee benefit expenditures
 - Reconciles distributed employee benefit expenditures
 - Benefits reported must be equal to or greater than amounts in corresponding account code



Validation Rules



Non-Critical vs. Critical



Non-Critical Validation Rules	Critical Validation Rules
Indicate possible errors	Indicate a reporting error
Require a comment	Require a correction
Validation Rules User Manual: https://www.osc.state.ny.us/files/local-government/required-reporting/pdf/afr-validation-rules.pdf	



Validation Rules

Critical Errors

- Balance Sheet

$$\begin{array}{|c|} \hline \text{Assets + Deferred} \\ \text{Outflows} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Liabilities, Deferred} \\ \text{Inflows \& Fund} \\ \text{Balance/Net Position} \\ \hline \end{array}$$

- Changes in Fund Balance

$$\begin{array}{|c|} \hline \text{Prior Year's Ending Fund} \\ \text{Balance/Net Position} \\ \text{+ Revenues} \\ \text{- Expenditures} \\ \text{= End of Year Fund} \\ \text{Balance/Net Position} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Total Fund Balance/Net} \\ \text{Position Reported on the} \\ \text{Balance Sheet} \\ \hline \end{array}$$



Validation Rules

Non-Critical Validation Rules



- Budget out of balance or left blank
- A new fund was added
- A fund is no longer being used
- Due From Other Funds >5% Total Fund Balance
- Debt proceeds reported in an operating fund
- Cash/investment reserves do not equal reserved fund balance
- Budget vs. actual variance >20%



Validation Rules

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Common Errors

Common Error	Validation Rule
Restricted Cash unequal from restricted Fund Balance	VR22
Appropriated Fund Balance on Balance Sheet unequal from Appropriated Fund Balance on Budget Summary	VR6
Transfers in unequal from transfers out	VR4
Total Due To (391) unequal from Total Due From (630)	VR3
Negative Unassigned Fund Balance while showing positive Assigned Fund Balance	VR23



Common Errors

Negative Cash

Overdrawn Account

- Reclassify negative cash to code 633 - Due to Financial Institution for Overdrawn Accounts
- Used when there is no pooled bank account

Pooled Account

- Loaning Fund

A391	Due From Other Funds	5,000	
A200	Cash		5,000

- Borrowing Fund

FX200	Cash	5,000	
FX630	Due To Other Funds		5,000



Common Errors

Interfund Transfers

- Don't include intrafund transfers or bank transfers
 - Exception for aggregated sub-funds
- Transfers In should equal Transfers Out
 - Codes 5031,5050 = 9901.9, 9950.9, 9970.9



Common Errors

Reserve Fund Balance

- Fund balance subject to externally enforceable legal purpose restrictions
 - Restricted fund balance (account codes 814-899)
 - Restricted assets (account codes 230, 231, 452, 453)
- OSC's Reserves Guide
 - <https://www.osc.ny.gov/files/local-government/publications/pdf/reserve-funds.pdf>



Common Errors

Appropriated Fund Balance


- Fund balance appropriated for use in the ensuing fiscal year's budget
 - Balance Sheet (code 914) should equal Budget Summary (code 599)




Common Errors

Appropriated Fund Balance

Assigned Appropriated Fund Balance	A914	\$15,000.00
TOTAL Assigned Fund Balance		\$15,000.00
Unassigned Fund Balance	A917	\$0.00
TOTAL Unassigned Fund Balance		\$0.00
TOTAL Fund Balance		\$15,000.00



Assigned Appropriated Fund Balance	A914	\$20,000.00
TOTAL Assigned Fund Balance		\$20,000.00
Unassigned Fund Balance	A917	(\$5,000.00)
TOTAL Unassigned Fund Balance		(\$5,000.00)
TOTAL Fund Balance		\$15,000.00



Training Resources

AFR Modernization Website

- Instructional videos
- Enrollment Instructions
- Interactive user manual
- Validation Rules User Manual
- Bulk load feature reference
- Chart of Accounts Lookup



Technical Assistance

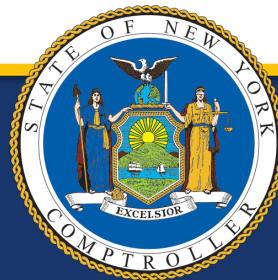
- Enrollment and password issues
 - Help Desk
 - 1-866-321-8503, option 1
 - LocalGov@osc.ny.gov
- Annual Financial Report questions
 - Data Management Unit (DMU)
 - 1-866-321-8503, option 4
 - AFRFile@osc.ny.gov



Questions?

Division of Local Government and School Accountability

AFRFile@osc.ny.gov



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