

VILLAGE OF SUFFERN, NEW YORK
FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
Year Ended May 31, 2013
WITH
INDEPENDENT AUDITOR'S REPORT

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May 31, 2013

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Certified Public Accountants
& Strategic Advisors

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Suffern, New York as of and for the year ended May 31, 2013, and the related notes to the financial statements which collectively comprise the Village of Suffern, New York's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Suffern, New York, as May 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As further discussed in Note 1 and Note 3 to the financial statements, for the fiscal year ended May 31, 2013, the Village of Suffern adopted GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions* and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The effect of adopting GASB Statement No 45 was to record a prior period adjustment of \$2,570,664 to the Village of Suffern's Net Position at May 31, 2012.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Suffern, New York's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

RSSM CPA LLP

CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
April 2, 2015



**Village of Suffern, New York
Management's Discussion and Analysis
May 31, 2013**

Introduction

This discussion and analysis of the Village of Suffern, New York's (the "Village") financial statements provides an overview of the financial activities of the Village of Suffern for the fiscal year ended May 31, 2013. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

Financial Highlights for Fiscal Year 2013

On the government-wide financial statements, the liabilities of the Village exceeded its assets at the close of fiscal year 2013 by \$930,409. Of this amount, the unrestricted net position is a deficit of \$5,815,462. This deficit is primarily the result of compensated absences claims and other postemployment benefits that will be funded in future years and the deficit in the Water Fund.

As of the close of the current fiscal year, the Village's governmental funds reported a combined ending fund deficit of (\$1,849,661), an increase in the deficit of \$626,697 from fiscal year 2012. Exclusive of the Capital Projects Fund, the combined ending fund deficits were (\$1,426,689).

At the end of the current fiscal year the General Fund reported an ending fund deficit of (\$117,238) which represents a decrease of fund balance of (\$178,085) from fiscal year 2012.

During the current fiscal year, the Village retired \$647,000 of general obligation debt and did not issue any new bonds. The Village's total outstanding general obligation bonds payable at May 31, 2013 totaled \$6,615,000.

Overview of the Financial Statements

The Village's financial statements are composed of this Management Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Village's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The *government-wide financial statements* are presented in a manner similar to private-sector business financial statements. The statements are prepared using the accrual basis of accounting. The government-wide financial statements include two statements: the Statement of Net Position and Statement of Activities.

The *Statement of Net Position* presents the Village's total assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing the change in the Village's net position during the current fiscal year. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as claims and earned but unused vacation and sick leave. The focus of this statement is on the net cost of providing various services to the citizens of the Village during the fiscal year.

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

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

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances/net position, revenues and expenditures/expenses. Government resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains four major funds; General Fund, Water Fund, Sewer Fund and the Capital Projects Fund. Financial information for the Major funds is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Special Purpose Fund and the Debt Service Fund are grouped together as non-major governmental funds.

A budgetary comparison statement is provided for the General, Water, and Sewer funds within the basic financial statements to demonstrate compliance with their respective budgets.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are *not* reflected in the government-wide financial statements because the assets of these funds are *not* available to support the activities of the Village. The Village maintains two types of fiduciary funds that are known as an Agency Fund and a Pension Trust Fund. Resources are held in these funds by the Village purely in a custodial capacity. The activity in these funds is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government and the activities of the Fire Service Awards Program.

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

Notes to Financial Statements

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

Other Information

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Village's financial position. In the case of the Village of Suffern, liabilities exceeded assets by \$930,409 at the end of fiscal year 2013.

The following table reflects the condensed Statement of Net Position:

Statement of Net Position

	May 31,	
	2013	2012
Current Assets	\$ 3,192,392	\$ 3,640,304
Capital Assets, net	12,317,390	12,261,738
Total Assets	15,509,782	15,902,042
Current Liabilities	5,450,586	4,970,948
Long-Term Liabilities	10,989,605	8,624,951
Total Liabilities	16,440,191	13,595,899
Net Position:		
Invested in capital assets, net of related debt	3,429,647	2,628,302
Restricted	1,455,406	172,274
Unrestricted	-	(494,433)
Total Net Position	\$ 4,885,053	\$ 2,306,143

The largest component of the Village's net position is net investment in capital assets of \$3,429,647 which reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens. The capital assets consist of buildings, equipment, infrastructure and other assets that are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The restricted net assets of \$1,455,406 represent resources that are subject to external restrictions on their use. The restrictions are:

	May 31,	
	2013	2012
Debt Service	\$ 8,384	\$ -
RAN Repayment	1,350,000	-
Law Enforcement	15,350	15,337
DARE	32,511	45,808
Special Purpose	49,161	111,129
	<u> </u>	<u> </u>
Restricted Net Assets	<u>\$ 1,455,406</u>	<u>\$ 172,274</u>

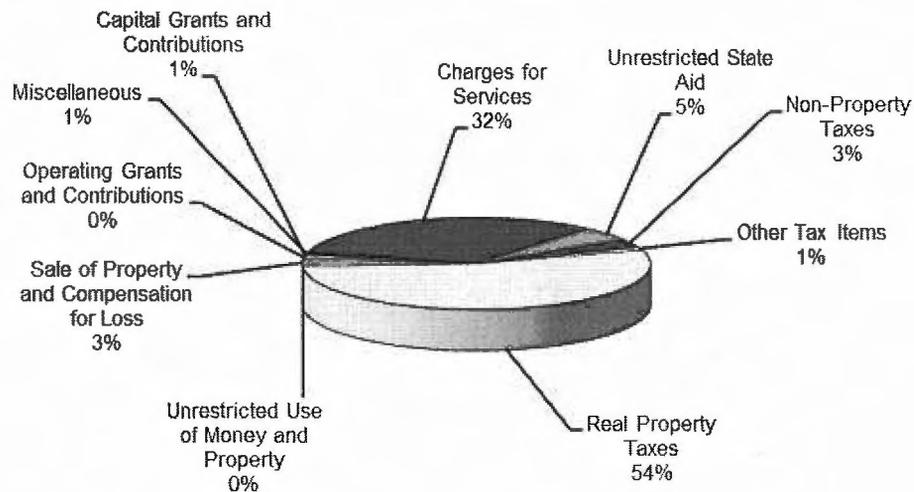
The remaining balance is an unrestricted net deficit of \$5,815,462.

Changes in Net Position

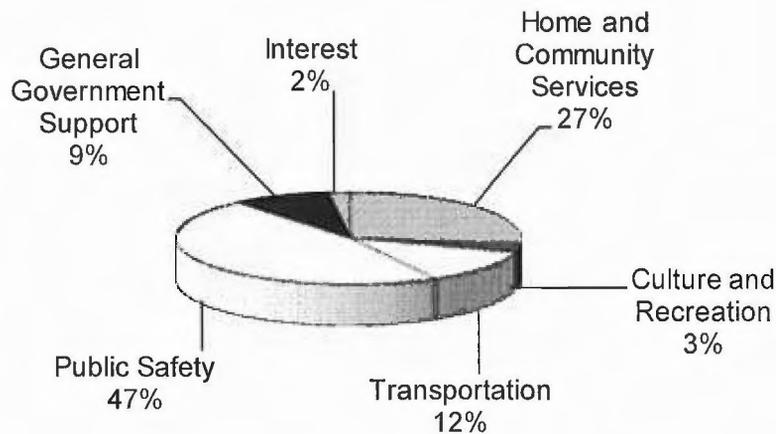
	May 31,	
	2013	2012
Program Revenues:		
Charges for Services	\$ 5,146,289	\$ 5,029,639
Operating Grants and Contributions	109,149	154,075
Capital Grants and Contributions	214,146	-
General Revenues:		
Real Property Taxes	8,753,661	8,493,231
Other Tax Items	198,823	163,983
Non-Property Taxes	876,830	852,911
Unrestricted Use of Money and Property	3,408	1,462
Sale of Property and Compensation for Loss	439,833	75,948
Unrestricted State Aid	205,118	418,657
Unrestricted Federal Aid	-	723,917
Miscellaneous	168,176	84,226
	<u> </u>	<u> </u>
Total Revenues	<u>16,115,433</u>	<u>15,998,049</u>

	May 31,	
	2013	2012
Program Expenses:		
General Government Support	\$ 1,473,074	\$ 2,256,360
Public Safety	7,886,777	6,236,341
Health	13,799	11,139
Transportation	2,074,517	2,476,789
Culture and Recreation	562,868	496,861
Home and Community Services	4,443,605	4,809,913
Interest	326,681	265,979
Total Expenses	<u>16,781,321</u>	<u>16,553,382</u>
Change in Net Position	<u>(665,888)</u>	<u>(555,333)</u>
Net Position – Beginning, as originally reported	2,306,143	2,861,476
Prior period adjustment - OPEB	<u>(2,570,664)</u>	<u>-</u>
	<u>(264,521)</u>	<u>2,861,476</u>
Net Position – Ending	<u>\$ (930,409)</u>	<u>\$ 2,306,143</u>

**Sources of Revenue for Fiscal Year 2013
Governmental Activities**



Sources of Expenses for Fiscal Year 2013 Governmental Activities



Governmental Activities: Since the Village's expenses exceeded its revenues, governmental activities decreased the Village's net position by \$665,888.

For the fiscal year ended May 31, 2013, revenues from governmental activities totaled \$16,115,433. Tax revenues of \$9,829,314 comprised of real property taxes, other tax items and non-property taxes represented the largest revenue source at 61%.

The largest components of governmental activities' expenses are public safety (47%), transportation (12%) and home and community services (27%).

Financial Analysis of the Government's Funds

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

Governmental Funds - The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Village's governmental funds reported a combined ending fund deficit of (\$1,849,661), an increase in the deficit of (\$626,697) from the prior year.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, the total fund deficit of the General Fund was (\$117,238).

Capital Asset and Debt Administration

Capital Assets: The Village's investment in capital assets for its governmental activities as of May 31, 2013, amounted to \$12,317,390 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, buildings and improvements, machinery and equipment and infrastructure.

Capital Assets (Net of Depreciation)

	May 31,	
	2013	2012
Land	\$ 440,815	\$ 440,815
Construction-in-Progress	-	1,672,317
Building and Improvements	6,021,401	6,005,792
Machinery and Equipment	5,567,985	3,853,465
Infrastructure	287,189	289,349
Total	<u>\$ 12,317,390</u>	<u>\$ 12,261,738</u>

Additional information on the Village's capital assets can be found in Note 3 to the basic financial statement in this report.

Long-term Debt: At the end of the current fiscal year, the Village had total bonded indebtedness of \$6,615,000. The Village's general obligation bonded debt decreased by \$647,000 due to the Village's payment of principal. As required by New York State law, all bonds issued by the Village are General Obligation bonds backed by the full faith and credit of the Village.

Additional information on the Village's long-term debt can be found in Note 3 to the basic financial statement in this report.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Michael A. Genito, Treasurer, Village of Suffern, 61 Washington Avenue, Suffern, New York 10901.

VILLAGE OF SUFFERN, NEW YORK

STATEMENT OF NET POSITION

May 31, 2013

Assets	
Cash and equivalents	\$ 639,613
Receivables:	
Accounts	375,051
Water rents	773,647
Sewer rents	641,159
Due from fiduciary funds (including State and Federal aid of \$375,903)	707,442
Due from other funds	25,203
Prepaid expenses	30,277
Capital assets, net of accumulated depreciation:	
Land	440,815
Buildings and improvements	6,021,401
Machinery and equipment	5,567,985
Infrastructure	<u>287,189</u>
Total Assets	<u>15,509,782</u>
Liabilities	
Accounts payable	982,682
Accrued liabilities	175,618
Deferred revenues	92,925
Revenue anticipation notes payable	1,350,000
Bond anticipation notes payable – capital projects	2,272,743
Due to retirement systems	168,085
Accrued interest payable	408,533
Non-current liabilities:	
Due within one year:	
Bonds payable	575,000
Compensated absences	101,262
Due in more than one year:	
Bonds payable	6,040,000
Compensated absences	911,358
Post retirement pension obligation	3,213,330
Net pension obligation	<u>148,655</u>
Total Liabilities	<u>16,440,191</u>
Net Deficit	
Net investment in capital assets	3,429,647
Nonspendable:	
Prepaid items	30,277
Advances due from other funds	1,276,760
Restricted for:	
Debt service	8,384
RAN Repayment	1,350,000
Law enforcement	-
DARE	-
Special Revenue Funds:	49,161
Unassigned for purchases on order	289,695
Unassigned	<u>(7,364,333)</u>
Total Net Deficit	<u>\$ (930,409)</u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF SUFFERN, NEW YORK

STATEMENT OF ACTIVITIES

Year Ended May 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Government activities:					
General government support	\$ 1,473,074	\$ 340,498	\$ 1,944	\$ -	\$ (1,130,632)
Public safety	7,886,777	263,548	3,864	-	(7,619,365)
Health	13,799	53,296	-	-	39,497
Transportation	2,074,517	76,921	102,066	214,146	(1,681,384)
Culture and recreation	562,868	49,324	1,275	-	(512,269)
Home and community services	4,443,605	4,362,702	-	-	(80,903)
Interest	326,681	-	-	-	(326,681)
Total governmental activities	\$ 16,781,321	\$ 5,146,289	\$ 109,149	\$ 214,146	(11,311,737)
General revenues:					
Real property taxes					8,753,661
Other tax items:					
Payments in lieu of taxes					179,485
Interest and penalties on real property taxes					19,338
Non-property taxes:					
Franchise fees					94,036
Non-property tax distribution from County					467,925
Utilities gross receipts taxes					314,869
Unrestricted use of money and property					3,408
Sale of property					439,833
Unrestricted State aid					205,118
Miscellaneous					168,176
Total general revenues					10,645,849
Change in net position					(665,888)
Net position – beginning, as reported					2,306,143
Prior period adjustment - OPEB (Note 3H)					(2,570,664)
Net position – beginning, as restated					(264,521)
Net position – ending					\$ (930,409)

The accompanying notes are an integral part of these financial statements.

VILLAGE OF SUFFERN, NEW YORK

BALANCE SHEET

Governmental Funds

May 31, 2013

	General	Water	Sewer	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and equivalents	\$ 119,454	\$ 46,625	\$ 16,170	\$ 309,624	\$ 147,740	\$ 639,613
Receivables:						
Accounts	356,890	5,848	12,000	-	313	375,051
Water rents	-	773,647	-	-	-	773,647
Sewer rents	-	-	641,159	-	-	641,159
State and Federal aid	375,903	-	-	-	-	375,903
Due from other governments	331,539	-	-	-	-	331,539
Due from other funds	1,380,655	126,931	70,026	1,441,317	13,387	3,032,316
Prepaid items	25,493	3,117	1,667	-	-	30,277
	<u>2,470,480</u>	<u>909,543</u>	<u>724,852</u>	<u>1,441,317</u>	<u>13,700</u>	<u>5,559,892</u>
Total assets	\$ <u>2,589,934</u>	\$ <u>956,168</u>	\$ <u>741,022</u>	\$ <u>1,750,941</u>	\$ <u>161,440</u>	\$ <u>6,199,505</u>
Liabilities and Fund Balances (Deficits)						
Liabilities:						
Accounts payable	\$ 855,251	\$ 41,424	\$ 47,878	\$ 38,129	\$ -	\$ 982,682
Accrued liabilities	160,662	7,936	7,020	-	-	175,618
Due to other funds	1,257,333	606,923	975,921	63,041	103,895	3,007,113
Deferred revenues	92,925	-	-	-	-	92,925
Revenue anticipation notes payable	-	750,000	600,000	-	-	1,350,000
Bond anticipation notes payable	200,000	-	-	2,072,743	-	2,272,743
Due to retirement systems	141,001	13,667	13,417	-	-	168,085
Total liabilities	<u>2,707,172</u>	<u>1,419,950</u>	<u>1,644,236</u>	<u>2,173,913</u>	<u>103,895</u>	<u>8,049,166</u>
Fund balances (deficits):						
Nonspendable items						
Prepaid items	25,493	3,117	1,667	-	-	30,277
Advances due from other funds	1,276,760	-	-	-	-	1,276,760
Restricted:						
Law enforcement	15,350	-	-	-	-	15,350
DARE	32,511	-	-	-	-	32,511
Repayment of RAN	-	750,000	600,000	-	-	1,350,000
Parklands	-	-	-	-	49,161	49,161
Debt Service	-	-	-	-	8,384	8,384
Assigned for purchases on order	77,265	10,322	3,876	198,232	-	289,695
Unassigned	<u>(1,544,617)</u>	<u>(1,227,221)</u>	<u>(1,508,757)</u>	<u>(621,204)</u>	<u>-</u>	<u>(4,901,799)</u>
Total fund balances (deficits)	<u>(117,238)</u>	<u>(463,782)</u>	<u>(903,214)</u>	<u>(422,972)</u>	<u>57,545</u>	<u>(1,849,661)</u>
Total liabilities and fund balances (deficits)	\$ <u>2,589,934</u>	\$ <u>956,168</u>	\$ <u>741,022</u>	\$ <u>1,750,941</u>	\$ <u>161,440</u>	\$ <u>6,199,505</u>

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

May 31, 2013

Fund balances – total government funds	<u>\$ (1,849,661)</u>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>12,317,390</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(6,615,000)
Post-employment benefits obligations	(3,213,330)
Accrued interest payable	(408,533)
Compensated absences	(1,012,620)
Net pension obligation	<u>(148,655)</u>
	<u>(11,398,138)</u>
Net assets of governmental activities	<u>\$ (930,409)</u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF SUFFERN, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Governmental Funds

Year Ended May 31, 2013

	General	Water	Sewer	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:						
Real property taxes	\$ 8,753,661	\$ -	\$ -	\$ -	\$ -	\$ 8,753,661
Other tax items	198,823	-	-	-	-	198,823
Non-property taxes	876,830	-	-	-	-	876,830
Departmental income	1,524,010	1,744,108	1,467,247	-	-	4,735,365
Use of money and property	2,053	313	42	-	251	2,659
Licenses and permits	45,070	-	-	-	-	45,070
Fines and forfeitures	295,428	-	-	-	-	295,428
Sale of property	5,372	880	-	-	-	6,252
State aid	314,267	-	-	64,713	-	378,980
Federal aid	149,433	-	-	-	-	149,433
Miscellaneous	241,518	5,080	6,744	748	-	254,090
Total revenues	12,406,465	1,750,381	1,474,033	65,461	251	15,696,591
Expenditures:						
Current:						
General government support	1,108,628	-	-	-	-	1,108,628
Public safety	4,766,806	-	-	-	-	4,766,806
Health	9,600	-	-	-	-	9,600
Transportation	1,097,538	-	-	-	-	1,097,538
Culture and recreation	403,470	-	-	-	25,987	429,457
Home and community services	1,176,461	1,086,336	1,064,941	-	-	3,327,738
Employee benefits	3,178,996	369,673	262,606	-	-	3,811,275
Debt service:						
Principal	-	-	-	-	647,000	647,000
Interest	27,370	9,428	14,403	-	258,646	309,847
Capital outlay	-	-	-	947,320	-	947,320
Total expenditures	11,768,869	1,465,437	1,341,950	947,320	931,633	16,455,209
Excess (deficiency) of revenues over expenditures	637,596	284,944	132,083	(881,859)	(931,382)	(758,618)
Other financing sources (uses):						
Insurance recoveries	132,543	-	-	-	-	132,543
Proceeds from obligations	-	-	-	(26,245)	-	(26,245)
Transfers in	-	-	-	409,875	905,646	1,315,521
Transfers out	(948,224)	(153,863)	(187,811)	-	-	(1,289,898)
Total other financing sources (uses)	(815,681)	(153,863)	(187,811)	383,630	905,646	131,921
Net change in fund balances	(178,085)	131,081	(55,728)	(498,229)	(25,736)	(626,697)
Fund balances (deficits)—beginning of year	60,847	(594,863)	(847,486)	75,257	83,281	(1,222,964)
Fund balances (deficits)—end of year	\$ (117,238)	\$ (463,782)	\$ (903,214)	\$ (422,972)	\$ 57,545	\$ (1,849,661)

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Year Ended May 31, 2013

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total government funds \$ (626,697)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay expenditures	1,835,957
Depreciation expense	<u>(1,824,072)</u>
	<u>11,885</u>

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal paid on bonds	<u>647,000</u>
	647,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures or (recoveries) in governmental funds.

Compensated absences	(3,926)
Net pension obligation	(683,490)
Accrued interest	<u>(10,660)</u>
	<u>(698,076)</u>

Change in net position of governmental activities	<u>\$ (665,888)</u>
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The accompanying notes are an integral part of these financial statements.

VILLAGE OF SUFFERN, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

General, Water and Sewer Funds

Year Ended May 31, 2013

	General Fund				Water Fund				Sewer Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:												
Real property taxes	\$ 8,753,661	\$ 8,753,661	\$ 8,753,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other tax items	160,509	160,509	198,823	38,314	-	-	-	-	-	-	-	-
Non-property taxes	870,000	870,000	876,830	6,830	-	-	-	-	-	-	-	-
Departmental income	1,635,441	1,635,441	1,524,010	(111,431)	1,743,650	1,743,650	1,744,108	458	1,643,459	1,643,459	1,467,247	(176,212)
Use of money and property	10,000	10,000	2,053	(7,947)	900	900	313	(587)	500	500	42	(458)
Licenses and permits	11,600	11,600	45,070	33,470	-	-	-	-	-	-	-	-
Fines and forfeitures	362,000	362,000	295,428	(66,572)	-	-	-	-	-	-	-	-
Sale of property and compensation for loss	11,200	11,200	5,372	(5,828)	150	150	880	730	-	-	-	-
State aid	313,317	313,317	314,267	950	-	-	-	-	-	-	-	-
Federal aid	100,000	100,000	149,433	49,433	-	-	-	-	-	-	-	-
Miscellaneous	280,695	280,695	241,518	(39,177)	4,873	4,873	5,080	207	6,530	6,530	6,744	214
Total revenues	12,508,423	12,508,423	12,406,465	(101,958)	1,749,573	1,749,573	1,750,381	808	1,650,489	1,650,489	1,474,033	(176,456)
Expenditures:												
Current:												
General government support	1,266,786	1,266,786	1,108,628	(158,158)	-	-	-	-	-	-	-	-
Public safety	4,519,691	4,519,691	4,766,806	247,115	-	-	-	-	-	-	-	-
Health	9,600	9,600	9,600	-	-	-	-	-	-	-	-	-
Transportation	1,117,739	1,117,739	1,097,538	(20,201)	-	-	-	-	-	-	-	-
Culture and recreation	377,835	377,835	403,470	25,635	-	-	-	-	-	-	-	-
Home and community services	1,134,679	1,134,679	1,176,461	41,782	1,229,843	1,229,843	1,086,336	(143,507)	1,040,826	1,040,826	1,064,941	24,115
Employee benefits	3,133,747	3,133,747	3,178,996	45,249	330,061	330,061	369,673	39,612	230,980	230,980	262,606	31,626
Debt service – interest	27,032	27,032	27,370	338	6,818	6,818	9,428	2,610	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	11,050	11,050	14,403	3,353
Total expenditures	11,587,109	11,587,109	11,768,869	181,760	1,566,722	1,566,722	1,465,437	(101,285)	1,282,856	1,282,856	1,341,950	59,094
Excess (deficiency) of revenues over expenditures	921,314	921,314	637,596	(283,718)	182,851	182,851	284,944	102,093	367,633	367,633	132,083	(235,550)
Other financing sources (uses):												
Insurance recoveries	45,000	45,000	132,543	87,543	-	-	-	-	-	-	-	-
Transfers out	(969,314)	(969,314)	(948,224)	21,090	(182,851)	(182,851)	(153,863)	28,988	(367,633)	(367,633)	(187,811)	179,822
Total other financing sources (uses)	(924,314)	(924,314)	(815,681)	108,633	(182,851)	(182,851)	(153,863)	28,988	(367,633)	(367,633)	(187,811)	179,822
Net change in fund balances	(3,000)	(3,000)	(178,085)	(175,085)	-	-	131,081	131,081	-	-	(55,728)	(55,728)
Fund balances (deficits) – beginning of year	3,000	3,000	60,847	57,847	-	-	(594,863)	(594,863)	-	-	(847,486)	(847,486)
Fund balances (deficits) – end of year	\$ -	\$ -	\$ (117,238)	\$ (117,238)	\$ -	\$ -	\$ (463,782)	\$ (463,782)	\$ -	\$ -	\$ (903,214)	\$ (903,214)

The accompanying notes are an integral part of these financial statements.

VILLAGE OF SUFFERN, NEW YORK

STATEMENT OF NET POSITION

Fiduciary Funds

Year Ended May 31, 2013

	<u>Pension Trust Fund – Fire Service Awards Program</u>	<u>Agency Fund</u>	<u>Total</u>
<u>Assets</u>			
Cash – demand deposits	\$ -	\$ 34,087	\$ 34,087
Investments, at fair value:			
Money market funds	32,640	-	32,640
Mutual funds	<u>1,191,729</u>	<u>-</u>	<u>1,191,729</u>
	1,224,369	-	1,224,369
Accounts receivable	<u>139,964</u>	<u>-</u>	<u>139,964</u>
Total assets	<u>1,364,333</u>	<u>34,087</u>	<u>1,398,420</u>
<u>Liabilities</u>			
Accounts payable	13,387	11,815	25,202
Employee payroll deductions	<u>-</u>	<u>22,272</u>	<u>22,272</u>
Total liabilities	<u>13,387</u>	<u>34,087</u>	<u>47,474</u>
<u>Net Position</u>			
Held in Trust for Pension Benefits (schedule of funding progress for the plan is presented in the required supplementary information)	<u>\$ 1,350,946</u>	<u>\$ -</u>	<u>\$ 1,350,946</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS – PENSION TRUST FUND SERVICE
AWARDS PROGRAM**

Year Ended May 31, 2013

Additions:

Pension contributions	\$ 139,964
Earnings on investments	62,589
Return on principal	19,466
Net change in fair value of investments	<u>43,800</u>

Total additions 265,819

Deductions:

Pension benefits	93,289
Administrator costs	<u>5,897</u>
	<u>99,186</u>

Change in net position 166,633

Net assets held in trust for pension benefits – beginning of year 1,184,313

Net assets held in trust for pension benefits – end of year \$ 1,350,946

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

May 31, 2013

1. Summary of Significant Accounting Policies

The Village of Suffern, New York (the “Village”) was established in 1896 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Mayor serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Village of Suffern, New York conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Village’s more significant accounting policies:

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village’s reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The following organization is related to the Village; however it is not part of the reporting entity:

The Village of Suffern Parking Authority (Authority) is a public benefit corporation created to service and operate the Village’s parking facilities. Members of the Authority are appointed by the Mayor for a specified term. While the Village does provide some accounting services, Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The Village is not liable for Authority bonds or notes.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Village as a whole. The significant effect of interfund activity has been removed from these statements except for interfund services provided and used.

The Statement of Net Position presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Village does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Fund Categories

- a. **Governmental Funds** – Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Village’s major governmental funds:

General Fund – The General Fund constitutes the primary operating fund of the Village and is used to account for and report all financial resources not accounted for and reported in another fund.

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

Water Fund – The Water Fund is used to record the water utility operations of the Village which render services on a user charge basis to the general public.

Sewer Fund – The Sewer Fund is used to record the sewer utility operations of the Village which render services on a user charge basis to the general public.

Capital Projects Fund – The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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

Special Revenue Fund –

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

Debt Service Fund – The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Financial resources that are being accumulated for principal and interest maturing in futures years should also be reported in debt service funds.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

- b. Fiduciary Funds (Not Included in Government-wide Financial Statements) – Fiduciary Funds are used to account for assets held by the Village in a trust or an agency capacity on behalf of others. These include Pension Trust and Agency Funds. The Pension Trust Fund accounts for the Village’s Fire Service Awards Program. The Agency Fund is used to account for employee payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

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

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

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities and Net Position or Fund Balances

Deposits, Investments and Risk Disclosure

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

The Village's investment policies are governed by State statutes. The Village has adopted its own written investment policy, which is to deposit funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Village has entered into custodial agreements with the various banks which hold its deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2013.

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

Investments – Investments of the Pension Trust Fund – Fire Service Awards Program are held on deposit with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. These investments are not subject to risk categorization.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Taxes Receivable – Property taxes attach as an enforceable lien on real property as of June 1 and are payable in June. The Village is responsible for the billing and collection of its taxes through November 1 of the tax year, at which time the responsibility for uncollected taxes is transferred to the County of Rockland. On or about April 1, the County remits to the Village the balance of all uncollected taxes. The County has the responsibility for conducting in-rem foreclosure proceedings.

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

Due From/To Other Funds – During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2013, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Advances To/From Other Funds – Advances to/from other funds represent loans to other funds, which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by a fund balance reserve in the fund financial statements, which indicates that the funds are not “available” for appropriation and are not expendable available financial resources.

Inventories – There are no inventory values presented in the balance sheets of the respective funds of the Village. Purchases of inventorial items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Capital Assets – Capital assets include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items). Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Village chose to include certain items regardless of their acquisition date or amount. The Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the Village are depreciated using the straight line method over the following estimated useful lives:

Class	Life in Years
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	20-60

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

Unearned/Deferred Revenues – Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenue consists of amounts received in advance.

Deferred revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported deferred revenues of \$92,925 of which approximately \$90,265 was for solid waste collection charges received in advance in the General Fund. Such amounts have been deemed to be measureable but not “available” pursuant to generally accepted accounting principles.

Compensated Absences – The Board of Trustees and terms contained in certain collective bargaining agreements have authorized the payment of accumulated vacation and sick time upon separation from service. The liability for such accumulated time is reflected in the government-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Long-Term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

May 31, 2013

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

Net Position – Net position represent the difference between assets and liabilities. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position on the Statement of Net Position include, invested in capital assets, net of related debt, restricted for capital projects, debt service, law enforcement, DARE and special revenue funds. The balance is classified as unrestricted.

Fund Balances - Beginning with fiscal year ended May 31, 2013, the Village implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 changed the terminology and classification of fund balance to reflect spending constraints on resources, rather than availability for appropriation. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventories and prepaid amounts), or amounts that must be maintained intact legally or contractually (such as the principal portion of a permanent fund).

Spendable fund balance is further classified as 1) restricted, 2) committed, 3) assigned, and/or 4) unassigned. The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Village Board is the highest level of decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balances.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. By resolution dated January 5, 2015, the Village Board adopted a fund balance policy to comply with GASB

May 31, 2013

Statement No. 54, authorizing the Village Treasurer to assign fund balances. The Village Board may also assign fund balances as it does when appropriating fund balances for subsequent year's expenditures with the adoption of the annual budget.

An unassigned fund balance is the residual classification for the government's General Fund and includes all spendable amounts not contained in the other classifications. For all governmental funds other than the General Fund, any unassigned fund balances would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with the amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

The Village's fund balance policy, adopted by the Village Board on January 5, 2015, provide that unless otherwise required by law or agreement, the Village shall spend its funds in the following order: restricted first, then committed, then assigned, and lastly, unassigned; that the Village Treasurer is authorized to assign fund balance, and that the General Fund unrestricted fund balance should be maintained at a minimum level of ten percent (10%) of General Fund total expenditures. The adopted fund balance policy further provides that should the unrestricted fund balance fall below the 10% target, it will be replenished as soon as possible, but no later than five years from the date that the deficiency was determined.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Water and Sewer funds. Encumbrances outstanding at year-end are reported as a restriction, commitment, or assignment of fund balance.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

May 31, 2013

2. Stewardship, Compliance and Accountability

A. Budgetary Data

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

- (a) On or before March 20, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1. The tentative budget includes the proposed expenditures and the means of financing.
- (b) The Board of Trustees, on or before March 31, meets to discuss and review the tentative budget.
- (c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15.
- (d) After the public hearing and on or before May 1, the Trustees meet to consider and adopt the budget.
- (e) Formal budgetary integration is employed during the year as a management control device for General, Water, Sewer and Debt Service funds.
- (f) Budgets for General, Water, Sewer and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted by the Board for the Special Purpose Fund.
- (g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental appropriations also require a majority vote by the Board.
- (h) Appropriations in General, Water, Sewer and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Trustees. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

B. Property Tax Limitation

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five-year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2012-2013 fiscal year was \$22,306,619, which exceeded the actual levy by \$14,278,354.

On June 24, 2011, Governor Andrew Cuomo signed Chapter 97 of the Laws of 2011 (Tax Cap Law). This law applies to all local governments in New York State. The Tax Cap Law restricts the amount of real property taxes that may be levied by the Village in a particular year, beginning with the 2012-2013 fiscal year and expiring on June 16, 2016

The growth in the annual levy is limited to the lesser of two percent or the annual change in the national unadjusted Consumer Price Index for All Urban Consumers – All Items (CPI-U), subject to certain limited exceptions and adjustments.

Exclusions are limited to 1) costs resulting from court orders or judgments against the local government arising out of tort actions to be paid in the coming fiscal year that exceed five percent of the total prior year's tax levy, and 2) the portion, if any, of employer pension costs that exceed the annual growth in the average actuarial contribution rate for the Employees' Retirement System (ERS) and/or the Police and Fire Retirement System (PFRS) by two percentage points

The law provides that the Village may override and exceed the tax levy limit by adopting a local law with a 60% affirmative vote of the total voting power of the Village Board (five affirmative votes). Such local law must be adopted prior to the adoption of the annual budget affected by the tax levy.

C. Fund Deficits

The General Water and Sewer Funds have unassigned fund balance deficits of \$1,544,617, \$1,227,221 and \$1,508,757, respectively, as of May 31, 2013.

D. Capital Projects Fund Deficit

The deficits in individual capital projects arise in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as "other financing sources." Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

anticipation notes were issued or outstanding to the extent of the deficit, arise because of expenditures exceeding current financing on the projects.

E. Excess of Actual Expenditures Over Budget

Expenditures of the following capital projects exceeded their authorized budgets by the amounts indicated:

Project	Amount
2005 Building improvements	\$ 40,978
Water supply improvements	46,260
Pavilion pump station	74,675
Road improvements	5,957
Building repairs operational center	38,530
Crosswalks	8,877
Waste water plant upgrades	29,257
Street lighting	89,492
Fire department equipment	6,411
Fire truck H & L	7,544
Equipment public works truck	14,999
Road improvements	145,118

3. Detailed Notes on All Funds

A. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2013 were as follows:

Fund	Due From	Due To
General	\$ 1,380,655	\$ 1,257,333
Water	126,931	606,923
Sewer	70,026	975,921
Capital projects	1,441,317	63,041
Non-major Governmental Funds	13,387	103,895
	<u>\$ 3,032,316</u>	<u>\$ 3,007,113</u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

B. Capital Assets

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

Class	Balance June 1, 2013	Additions	Deletions	Balance May 31, 2013
Capital assets, not being depreciated:				
Land	\$ 440,815	\$ -	\$ -	\$ 440,815
Construction-in-process	1,672,317	-	1,672,317	-
Total capital assets, not being depreciated	\$ 2,113,132	\$ -	\$ 1,672,317	\$ 440,815
Capital assets, being depreciated:				
Buildings and improvements	\$ 12,191,115	\$ 415,402	\$ -	\$ 12,606,517
Machinery and equipment	12,625,225	2,101,525	345,954	14,380,796
Infrastructure	321,356	3,550	-	324,906
Total capital assets, being depreciated	25,137,696	2,520,477	345,954	27,312,219
Less accumulated depreciation for:				
Buildings and improvements	6,185,323	399,793	-	6,585,116
Machinery and equipment	8,771,760	1,418,569	-	10,190,329
Infrastructure	32,007	5,710	-	37,717
Total accumulated depreciation	14,989,090	1,824,072	-	16,813,162
Total capital assets, being depreciated, net	\$ 10,148,606	\$ 696,405	\$ 345,954	\$ 10,499,057
Capital assets, net	\$ 12,261,738	\$ 696,405	\$ 2,018,271	\$ 10,939,872

Depreciation expense charged to the Village's functions and programs for the year ended May 31, 2013 was \$1,824,072.

C. Accrued Liabilities

Accrued liabilities at May 31, 2013 were as follows:

	Fund			Total
	General	Water	Sewer	
Payroll and employee benefits	\$ 90,106	\$ 7,936	\$ 7,020	\$ 105,062
Other	70,556	-	-	70,556
	\$ 160,662	\$ 7,936	\$ 7,020	\$ 175,618

D. Pension Plans

The Village of Suffern, New York participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

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

Funding Policy – The Systems are non-contributory except for employees who joined ERS after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members’ salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion (“GTLI”) and regular pension contributions. Contribution rates for the plans’ year ended March 31, 2013 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	25.2%
	2 75I	23.0
	3 A14	18.4
	4 A15	18.4
	5 A15	14.9
PFRS	2 375I	18.1
	2 384D	25.1
	5 384D	24.1

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

	<u>ERS</u>	<u>PFRS</u>
2013	\$ 615,992	\$ 650,000
2012	369,209	627,112
2011	386,204	600,271

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

The current ERS contribution for the Village was charged to various functional categories and employee benefits within the funds identified below:

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Fund	Amount
General	\$ 407,577
Water	111,347
Sewer	97,068
	<u>\$ 615,992</u>

The current PFRS contribution was charged to the General Fund.

E. Pension Trust – Service Awards Program

The Village, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program (Program) for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18, and upon earning a year of service credit, under the Suffern Fire Department Service Awards Program Point System, during a calendar year, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 62 or the participant’s age after earning a year of service credit), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum monthly service award of \$500 for 25 or more years of earned service credits. The Program also provides disability and death benefits. The trustees of the Program, who are the members of the Village’s Board, are authorized to invest the funds in authorized investment vehicles. Separate financial statements are not issued by the Program.

Current membership in the Program is comprised of the following:

Group	December 31, 2012
Retirees and beneficiaries currently receiving benefits	16
Terminated members entitled to but not yet receiving benefits	17
Active – nonvested	43
Active – vested	51

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The asset valuation method is fair value. The assumed investment rate of return is 6.5% and there are no cost of living adjustments.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Contributions made to the Program for the current and two preceding years were as follows:

2013	\$ 136,934
2012	139,964
2011	140,196

These contributions were equal to 100% of the actuarial required amounts. These contributions were charged to the General Fund – Fire Department budget line.

F. Short-Term Non-Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2012	New Issues	Redemptions	Balance May 31, 2013
Revenue anticipation notes	2012	07/10/12	1.77	\$ 1,300,000	\$ -	\$ 1,300,000	\$ -
Revenue anticipation notes	2013	07/12/13	1.85	-	1,350,000	-	1,350,000
				<u>\$ 1,300,000</u>	<u>\$ 1,350,000</u>	<u>\$ 1,300,000</u>	<u>\$ 1,350,000</u>

There was \$27,370 of interest expenditures recorded in the fund financial statements in the General Fund. Interest expense of \$23,831 was recorded in the government-wide financial statements for governmental activities.

G. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2012	New Issues	Redemptions	Balance May 31, 2013
Road improvements	2007	07/08/11	1.75	\$ 55,000	\$ -	\$ 55,000	\$ -
Various equipment and curb repaving	2009	04/22/12	1.44	91,136	-	48,568	42,568
Building improvements	2009	04/22/12	1.44	186,600	-	93,300	93,300
Road repairs and firehouse	2010	05/11/12	1.96	117,500	-	58,750	58,750
Fire truck	2010	11/04/11	1.35	472,500	-	157,500	315,000
Water tower painting	2010	09/23/11	2.47	94,700	-	23,675	71,025
Digester cover	2011	12/07/11	1.75	650,000	-	162,500	487,500
Utility truck	2012	03/09/12	1.87	25,000	-	-	25,000
Equipment fire/police	2012	03/09/12	1.87	479,000	-	-	479,000
Legal settlement	2012	03/09/12	1.87	200,000	-	-	200,000
Road improvements	2013	01/24/14	1.94	-	438,600	-	438,600
Well and well Modifications	2013	01/24/14	1.94	-	62,000	-	62,000
				<u>\$ 2,371,436</u>	<u>\$ 500,600</u>	<u>\$ 1,873,646</u>	<u>\$ 2,272,743</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are accounted for in the fund paying the claim. Principal payments on bond anticipation notes

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

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

Interest expenditures of \$27,370, \$9,428 and \$14,403 were recorded in the fund financial statements in the General, Water and Sewer Funds, respectively. Interest expense of \$51,201 was recorded in the government-wide financial statements for governmental activities.

H. Long-Term Liabilities

Each governmental fund's liability for compensated absences, claims and net pension obligation is liquidated by the respective fund. The Village's indebtedness for bonds and certain bond anticipation notes is satisfied by the Debt Service Fund, which is funded primarily from the General, Water and Sewer Funds.

Bonds Payable

Bonds payable at May 31, 2013 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issues Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2013
Various general, water and sewer improvements	2003	1,988,000	October, 2014	3.25-4.00	\$ 400,000
Various general and water improvements	2007	3,450,000	August, 2022	3.75-4.20	2,530,000
Various general water and sewer improvements	2012	3,857,000	January, 2032	2.50-4.00	3,685,000
					<u>\$ 6,615,000</u>

Interest expenditures of \$258,646 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$309,847 was recorded in the government-wide financial statements for governmental activities.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Payments to Maturity

The annual requirements to amortize all outstanding bonds at May 31, 2013, including interest payments of \$2,166,153 are as follows:

Year Ending May 31,	Principal	Interest
2014	\$ 575,000	\$ 240,193
2015	600,000	221,468
2016	400,000	205,668
2017	405,000	193,073
2018	420,000	179,903
2019-2023	2,270,000	665,249
2024-2028	1,005,000	348,311
2029-2032	940,000	112,288
	<u>\$ 6,615,000</u>	<u>\$ 2,166,153</u>

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

Compensated Absences

Pursuant to collective bargaining agreements and the Board of Trustees, employees of the Village are permitted to accumulate varying amounts of sick leave. Police officers may accumulate up to 180 days, and upon retirement, may be paid for one half of the amount accumulated at current salary levels. Employees covered under the United Federation of Police Officers, representing police department radio dispatchers, record clerks and typists, may accumulate up to 130 days, and upon separation of service, may be paid one half of the amount accumulated at current salary levels. Other Village employees may accumulate a maximum of 200 days. Upon retirement, those employees with 35 or more years of service will be compensated for one half of the accumulated days, to a maximum of 90 days. Employees with less than 35 years of service will be compensated for one quarter of the accumulated days, to a maximum of 50 days. With the exception of police, all employees, upon separation of service, are compensated for unused vacation leave. The value of the compensated absences has been reflected in the government-wide financial statements.

Net Pension Obligation

As of December 31, 2012, the most recent actuarial valuation date, The Suffern Fire Department Service Award Program was 80.64% funded. The actuarial accrued liability for benefits was \$1,534,208, and the actuarial value of assets was \$1,237,231, resulting in an unfunded actuarial accrued liability of \$296,977. Of this amount, the net pension

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

obligation was \$148,655 which did not include the prior service cost being amortized over a 15-year period.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Other Post-Employment Benefits Obligations

The Village reports its other post-employment benefits (OPEB) in accordance with the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 45). OPEB includes, but is not limited to, health care benefits provided to retirees.

The Village provides health care benefits for retired employees through a single employer defined benefit plan for which a separate audited report is not issued. The Village's work rules and the various collective bargaining agreements stipulate the employees covered and the employee's required contribution, if any, towards the cost of health care benefits. The Village pays some or all of the cost of post-employment health care benefits for retirees, their spouses and their dependents during the life of the retiree, and for the surviving spouses of retirees. During the year, \$430,165 was paid on behalf of 39 retirees and this amount has been recorded as an expenditure and expense.

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

The Village is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. The cost of OPEB is recognized as expenditures as claims are paid within the governmental funds.

Funding for the plan has been established on a pay-as-you-go basis. The Village's annual cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with GASB 45. Instead of expensing the current year premiums paid, a per capita claims cost is calculated and used to determine a normal cost, an actuarially accrued liability and ultimately the ARC. The ARC represents a

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

Key assumptions used in calculating OPEB are as follows:

- The valuation date is June 1, 2012.
- The initial implementation year is June 1, 2012 to May 31, 2013.
- Number of years of amortization is 30.
- The discount rate used is 4%.
- The covered OPEB is major medical, hospitalization and prescription drugs provided through the New York State Health Insurance Plan (NYSHIP/Empire), and the valuation assumes no changes in plan design or employee/retiree contribution rates. All eligible employees and retirees, and their dependents are assumed to participate in the plan.
- The actuarial cost method used is the Projected Unit Credit (PUC) method.
- Retirement eligibility assumes a minimum age of 55 years with a minimum five years of service.
- Retirement contribution rates are zero percent (0%) for employees hired before March 1, 1997. For employees hired on or after March 1, 1997, a contribution equal to 14% of the health care premium is required for those with individual coverage and a contribution equal to 12% of the health care premium is required for those with family coverage. Surviving spouses, with a few exceptions, are required to contribute 50% of the health care premium.
- Annual health care cost inflation is assumed to be 8%, 7.5%, 7%, 6.5%, 6% and 5.5% for years 2016 through 2021, and 5% for years 2022 and thereafter.
- The Village reimburses Medicare Part B premiums for Medicare-eligible retirees, their spouses, and surviving spouses over the age of 65. The Village does not reimburse for Medicare Part D premiums.
- Valuation is based on the 2010 New York State Employees Retirement System (ERS) and NYS Police and Fire Retirement System (PFRS) tables.
- Mortality is determined using the RP 2000 Healthy Male and Female Tables based on the Combined Healthy Table for both pre- and post-retirement.
- Turnover (based on age, gender and years of service), disability (based on age and gender) and retirement (based on age and gender) assumptions are those used by the ERS and PFRS.
- Spouses are valued for benefits similar to retirees. Female spouses are assumed to be three years younger than male employees, and male spouses are assumed to be three years older than female employees.
- The valuation is based on a census of plan participants provided by the Village to the actuary in February 2015.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

The Village currently has no assets set aside for the purpose of paying other post-employment benefits. Current New York State law prohibits municipalities from pre-funding retiree health care benefits obligations in an irrevocable trust fund as required by GASB 45. If and when New York municipalities are permitted to pre-fund these obligations, the Village will have the option of doing so in order to reduce and/or eliminate the accumulated liability. The number of participants and net OPEB obligation as of May 31, 2013 is as follows:

Active Employees	70
Retired Employees	<u>59</u>
Total	<u>129</u>
Amortization Component:	
Actuarial Accrued Liability as of June 1, 2012	\$ 22,951,390
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 22,951,390</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 7,468,167</u>
UAAL as a Percentage of Covered Payroll	<u>307.32%</u>
Annual Required Contribution	\$ 1,328,774
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	<u>-</u>
Annual OPEB Cost	1,328,774
Contributions Made	<u>(686,108)</u>
Increase in Net OPEB Obligation	642,666
Net OPEB Obligation, Beginning of year	<u>2,570,664</u>
Net OPEB Obligation, End of year	<u>\$ 3,213,330</u>

The Village was required to implement GASB 45 in fiscal year ended May 31, 2009, but did not implement the provisions of the standard until fiscal year ended May 31, 2013. To approximate the net OPEB obligation that accrued from fiscal years ended May 31, 2009, 2010, 2011 and 2012, the actuarial valuation for fiscal year ended May 31, 2013 included a retroactive adjustment of \$2,570,664, reflecting an annual expense of \$642,666 (equivalent to the increase in net OPEB obligation for fiscal year ended May 31, 2013) for each of those four fiscal years.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years is presented in the table below. Since there were no individual actuarial valuations performed for fiscal years ended May 31, 2011 and 2012, the amounts presented for those two fiscal years are estimated based on retroactive adjustment of \$2,570,664 and management's assumptions that the annual increase in the net OPEB obligation and the percentage of annual OPEB cost contributed for each of those two fiscal years was \$642,666 and 51.63%, respectively.

Fiscal Year Ended May 31	Annual OPEB Cost	OPEB Cost Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 1,328,774	\$ 686,108	51.63%	\$ 3,213,330
2012	1,283,840	662,906	51.63%	2,570,664
2011	1,240,425	640,489	51.63%	1,927,998

A schedule of funding progress for OPEB is presented as required supplementary information (RSI) immediately following these notes to the financial statements.

**VILLAGE OF SUFFERN, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS**

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a) / c
5/31/2013	6/1/2012	\$ -	\$ 22,951,390	\$ 22,951,390	0.00%	\$ 7,468,167	307.32%

Note to Required Supplementary Information:

The Village was required to implement GASB 45 in fiscal year ended May 31, 2009, but did not implement the provisions of the standard until fiscal year ended May 31, 2013. The actuarial valuation for fiscal year ended May 31, 2013 included a retroactive adjustment of \$2,570,664, reflecting an annual expense of \$642,666 (equivalent to the increase in net OPEB obligation for fiscal year ended May 31, 2013) for fiscal years ended May 31, 2009, 2010, 2011 and 2012.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

I. Revenues and Expenditures

Interfund Transfers

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

<u>Transfers Out</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
General Fund	\$ 310,706	\$ 51,876	\$ 362,582
Water Fund	130,975	612,287	743,262
Sewer Fund	-	241,483	241,483
	<u>\$ 441,681</u>	<u>\$ 905,646</u>	<u>\$ 1,347,327</u>

Transfers are used to: (1) move funds from the operating funds to the Capital Projects Fund to finance various projects, (2) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and (3) move unused amounts from the Capital Projects Fund back to the operating funds.

J. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets – the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Capital Projects – the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

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

Restricted for Law Enforcement – the component of net position that has been established pursuant to State authorization for unexpended forfeitures of seized crime properties restricted to use for law enforcement purposes.

Restricted for DARE – the component of net position that has been established pursuant to State authorization for unexpended gifts and donations restricted to use for the Village’s drug awareness program.

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

Restricted for Special Revenue Funds – the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

K. Fund Balances

Certain elements of restricted fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

Amounts representing encumbrances outstanding have been restricted, committed or assigned as it is the Village's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Restricted for Trusts has been established to set aside funds in accordance with the terms of the grants.

Restricted for Parklands has been established pursuant to New York State Law. These funds may be used only for recreational purposes.

4. Summary Disclosure of Significant Contingencies

A. Litigation

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

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

B. Contingencies

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements may be established at a future date. The amount of expenditures, which may be disallowed by the granting agencies

NOTES TO FINANCIAL STATEMENTS (Continued)

May 31, 2013

cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains workers' compensation and general liability policies of \$1,000,000 per occurrence and \$1,000,000 in the aggregate for workers' compensation and \$1,000,000 per occurrence and \$3,000,000 in the aggregate for general liability. The Village also has an umbrella policy which provides an additional \$5,000,000 in coverage. The Village purchases conventional medical insurance coverage.

5. Prior Period Adjustment

As discussed in Note 3 the Village implemented GASB 45 in the current fiscal year, resulting in a prior period adjustment for other post-employment benefits of \$2,570,664. The opening equity was restated as follows:

Balance as of 06/01/12, as originally reported	\$ 2,306,143
Prior period adjustment for OPEB	<u>(2,570,664)</u>
Balance as of 06/01/12, as restated	<u>\$ (264,521)</u>

6. Subsequent Events

Subsequent events have been evaluated through April 2, 2015, which is the date the financial statements were available to be issued. The Village had no material subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS

Pension Trust Fund – Service Awards Program

Last Six Fiscal Years

<u>Actuarial Valuation Date December 31,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2007	\$ 717,843	\$ 1,021,628	\$ 303,785	70.26%
2008	\$ 757,989	\$ 1,095,669	\$ 337,680	69.18%
2009	\$ 936,278	\$ 1,284,453	\$ 348,175	72.89%
2010	\$ 985,612	\$ 1,372,560	\$ 386,948	71.81%
2011	\$ 1,062,251	\$ 1,476,940	\$ 414,689	71.92%
2012	\$ 1,237,231	\$ 1,534,208	\$ 296,977	80.64%

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SUPPLEMENTARY INFORMATION – SCHEDULE OF CONTRIBUTIONS

Pension Trust Fund – Service Awards Program

Last Six Fiscal Years

<u>Year Ended May 31,</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2008	\$ 117,182	\$ 117,182	100.00%
2009	\$ 131,392	\$ 131,392	100.00%
2010	\$ 139,290	\$ 139,290	100.00%
2011	\$ 140,196	\$ 140,196	100.00%
2012	\$ 139,964	\$ 139,964	100.00%
2013	\$ 136,934	\$ 136,934	100.00%

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

GENERAL FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets		
Cash:		
Demand deposits	\$ 118,754	\$ 179,904
Petty cash	700	400
	<u>119,454</u>	<u>180,304</u>
Receivables:		
Accounts receivable	356,890	715,660
State and Federal aid	375,903	952
Due from other funds	1,380,655	1,268,573
Due from other government	331,539	558,914
	<u>2,444,987</u>	<u>2,544,099</u>
Prepaid expenses	<u>25,493</u>	<u>-</u>
Total assets	<u>\$ 2,589,934</u>	<u>\$ 2,724,403</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 855,251	\$ 588,509
Accrued liabilities	160,662	163,354
Due to other funds	1,257,333	1,482,405
Deferred revenues	92,925	90,032
Revenue anticipation note payable	-	200,000
Bond anticipation note payable	200,000	-
Due to retirement systems	141,001	139,256
Total liabilities	<u>2,707,172</u>	<u>2,663,556</u>
Fund balance:		
Nonspendable:		
Prepaid items	25,493	-
Advances due from other funds	1,276,760	-
Restricted:		
Law enforcement	15,350	-
DARE	32,511	-
Assigned for purchases on order	77,265	-
Unassigned	(1,544,617)	-
Reserved for encumbrances	-	114,894
Reserve for law enforcement	-	15,337
Reserved for DARE	-	45,808
Undesignated	-	(115,192)
Total fund balance	<u>(117,238)</u>	<u>60,847</u>
Total liabilities and fund balance	<u>\$ 2,589,934</u>	<u>\$ 2,724,403</u>

See independent auditor's report.

Years Ended May 31, 2013 and 2012

	2013				2012			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:								
Real property taxes	\$ 8,753,661	\$ 8,753,661	\$ 8,753,661	\$ -	\$ 8,479,542	\$ 8,479,542	\$ 8,493,231	\$ 13,689
Other tax items	160,509	160,509	198,823	38,314	160,509	160,509	163,983	3,474
Non-property taxes	870,000	870,000	876,830	6,830	840,000	840,000	852,911	12,911
Departmental income	1,635,441	1,635,441	1,524,010	(111,431)	1,970,331	1,970,331	1,717,147	(253,184)
Use of money and property	10,000	10,000	2,053	(7,947)	20,000	20,000	1,194	(18,806)
Licenses and permits	11,600	11,600	45,070	33,470	11,500	11,500	12,036	536
Fines and forfeitures	362,000	362,000	295,428	(66,572)	362,000	362,000	292,943	(69,057)
Sale of property	11,200	11,200	5,372	(5,828)	314,200	314,200	37,675	(276,525)
State aid	313,317	313,317	314,267	950	295,999	295,999	281,895	(14,104)
Federal aid	100,000	100,000	149,433	49,433	-	-	669,983	669,983
Miscellaneous	280,695	280,695	241,518	(39,177)	335,509	335,509	321,339	(14,170)
Total revenues	12,508,423	12,508,423	12,406,465	(101,958)	12,789,590	12,789,590	12,844,337	54,747
Expenditures:								
Current:								
General government support	1,266,786	1,266,786	1,108,628	158,158	1,209,377	1,169,841	1,368,174	(198,333)
Public safety	4,519,691	4,519,691	4,766,806	(247,115)	4,316,618	4,405,033	4,392,372	12,661
Health	9,600	9,600	9,600	-	9,600	9,200	9,200	-
Transportation	1,117,739	1,117,739	1,097,538	20,201	1,402,759	1,533,975	1,546,200	(12,225)
Culture and recreation	377,835	377,835	403,470	(25,635)	370,674	355,903	364,874	(8,971)
Home and community services	1,134,679	1,134,679	1,176,461	(41,782)	1,124,569	1,155,407	1,068,039	87,368
Employee benefits	3,133,747	3,133,747	3,178,996	(45,249)	3,037,637	2,986,404	2,909,688	76,716
Debt service – interest	27,032	27,032	27,370	(338)	43,676	44,394	44,394	-
Total expenditures	11,587,109	11,587,109	11,768,869	(181,760)	11,514,910	11,660,157	11,702,941	(42,784)
Excess of revenues over expenditures	921,314	921,314	637,596	(283,718)	1,274,680	1,129,433	1,141,396	97,531
Other financing sources (uses):								
Proceeds from obligations	-	-	-	-	-	-	-	-
Insurance recoveries	45,000	45,000	132,543	87,543	45,000	45,000	59,922	14,922
Transfers out	(969,314)	(969,314)	(948,224)	21,090	(1,257,680)	(1,113,433)	(1,113,433)	-
Total other financing uses	(924,314)	(924,314)	(815,681)	108,633	(1,212,680)	(1,068,433)	(1,053,511)	14,922
Net change in fund balance	(3,000)	(3,000)	(178,085)	(175,085)	62,000	61,000	87,885	112,453
Fund balance – beginning of year	3,000	3,000	60,847	57,847	(62,000)	(61,000)	(27,038)	33,962
Fund balance – end of year	\$ -	\$ -	\$ (117,238)	\$ (117,238)	\$ -	\$ -	\$ 60,847	\$ 146,415

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
Real property taxes	\$ 8,753,661	\$ 8,753,661	\$ 8,753,661	\$ -	\$ 8,493,231
Other tax items:					
Payments in lieu of taxes	145,509	145,509	179,485	33,976	145,509
Interest and penalties on real property taxes	15,000	15,000	19,338	4,338	18,474
	<u>160,509</u>	<u>160,509</u>	<u>198,823</u>	<u>38,314</u>	<u>163,983</u>
Non-property taxes:					
Franchise fees	160,000	160,000	94,036	(65,964)	110,452
Non-property tax distribution from County	440,000	440,000	467,925	27,925	423,357
Utilities gross receipts taxes	270,000	270,000	314,869	44,869	319,102
	<u>870,000</u>	<u>870,000</u>	<u>876,830</u>	<u>6,830</u>	<u>852,911</u>
Departmental income:					
Inspection fees	80,000	80,000	53,008	(26,992)	55,065
Certificate of Occupancy fees	20,000	20,000	19,950	(50)	24,125
Police services	110,000	110,000	80,037	(29,963)	103,532
Other public safety	8,000	8,000	23,007	15,007	12,046
Vital statistics fees	55,000	55,000	48,136	(6,864)	51,440
Other public works	-	-	(10,597)	(10,597)	25,644
Zoning fees	5,000	5,000	2,940	(2,060)	3,560
Planning board fees	22,000	22,000	57,754	35,754	56,997
Pool fees	47,500	47,500	42,379	(5,121)	54,681
Other culture and recreation fees	3,000	3,000	6,945	3,945	9,934
Snow removal	0	0	0	-	23,950
Building permits	180,000	180,000	87,546	(92,454)	212,330
Refuse and garbage charges	1,104,941	1,104,941	1,112,905	7,964	1,083,843
	<u>1,635,441</u>	<u>1,635,441</u>	<u>1,524,010</u>	<u>(111,431)</u>	<u>1,717,147</u>
Use of money and property:					
Earnings on investments	10,000	10,000	2,053	(7,947)	1,194
Licenses and permits:					
Business and occupational licenses	600	600	775	175	575
Bingo fees	2,000	2,000	221	(1,779)	1,434
Permits	9,000	9,000	44,074	35,074	10,027
	<u>11,600</u>	<u>11,600</u>	<u>45,070</u>	<u>33,470</u>	<u>12,036</u>

(Continued)

VILLAGE OF SUFFERN, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
Fines and forfeitures:					
Fines and forfeited bail	\$ 362,000	\$ 362,000	\$ 295,428	\$ (66,572)	\$ 292,943
Sale of property:					
Sale of equipment	10,000	10,000	551	(9,449)	21,649
Sale of recyclables	1,200	1,200	4,821	3,621	16,026
	<u>11,200</u>	<u>11,200</u>	<u>5,372</u>	<u>(5,828)</u>	<u>37,675</u>
State aid:					
Per capita	86,717	86,717	88,416	1,699	88,416
Mortgage tax	100,000	100,000	116,702	16,702	107,971
Public safety	0	0	1,164	1,164	14,142
Other transportation	12,000	12,000	13,090	1,090	0
Youth programs	2,600	2,600	1,275	(1,325)	2,919
Consolidated Highway Improvement Program	90,000	90,000	88,976	(1,024)	60,000
Other	22,000	22,000	4,644	(17,356)	8,447
	<u>313,317</u>	<u>313,317</u>	<u>314,267</u>	<u>950</u>	<u>281,895</u>
Federal aid:					
Emergency Management Assistance	100,000	100,000	149,433	49,433	669,983
Miscellaneous:					
Refund of prior year's expenditures	5,000	5,000	40,065	35,065	5,782
Gifts and donations	51,000	51,000	59,095	8,095	63,336
Parking Authority reimbursements	127,695	127,695	76,921	(50,774)	119,673
Other	97,000	97,000	65,437	(31,563)	132,548
	<u>280,695</u>	<u>280,695</u>	<u>241,518</u>	<u>(39,177)</u>	<u>321,339</u>
Total revenues	<u>12,508,423</u>	<u>12,508,423</u>	<u>12,406,465</u>	<u>(101,958)</u>	<u>12,844,337</u>
Other financing sources:					
Proceeds from obligations	-	-	-	-	-
Insurance recoveries	45,000	45,000	132,543	87,543	59,922
Total other financing sources	<u>45,000</u>	<u>45,000</u>	<u>132,543</u>	<u>87,543</u>	<u>59,922</u>
Total revenues and other financing sources	<u>\$ 12,553,423</u>	<u>\$ 12,553,423</u>	<u>\$ 12,539,008</u>	<u>\$ (14,415)</u>	<u>\$ 12,904,259</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING
USES COMPARED TO BUDGET**

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
General government support:					
Board of Trustees	\$ 43,500	\$ 43,500	\$ 44,265	\$ (765)	\$ 43,190
Village Justice	220,985	220,985	214,702	6,283	198,186
Mayor	30,000	30,000	31,154	(1,154)	30,000
Auditor	21,000	21,000	20,900	100	19,800
Treasurer	125,349	125,349	114,085	11,264	130,117
Clerk	149,929	149,929	162,486	(12,557)	180,575
Financial consultant	7,000	7,000	11,303	(4,303)	34,512
Assessment	12,412	12,412	12,875	(463)	12,036
Village attorney	77,584	77,584	104,212	(26,628)	100,210
Shared services	162,327	162,327	171,424	(9,097)	143,987
Unallocated insurance	237,000	237,000	151,318	85,682	122,157
Municipal association dues	4,700	4,700	4,696	4	4,846
Judgments and claims	102,000	102,000	6,197	95,803	248,619
Contingency	73,000	73,000	59,011	13,989	99,939
	<u>1,266,786</u>	<u>1,266,786</u>	<u>1,108,628</u>	<u>158,158</u>	<u>1,368,174</u>
Public safety:					
Police Department	3,945,028	3,945,028	4,154,614	(209,586)	3,839,773
Fire Department	362,945	362,945	378,334	(15,389)	345,601
DARE	27,000	27,000	51,063	(24,063)	34,839
Bingo inspectors	650	650	-	650	551
Safety inspection	184,068	184,068	182,795	1,273	171,608
	<u>4,519,691</u>	<u>4,519,691</u>	<u>4,766,806</u>	<u>(247,115)</u>	<u>4,392,372</u>
Health					
Registrar of Vital Statistics	9,600	9,600	9,600	-	9,200
Transportation:					
Street administration	34,844	34,844	32,328	2,516	33,828
Street maintenance	688,895	688,895	748,048	(59,153)	1,201,057
Snow removal	105,500	105,500	76,473	29,027	39,267
Street lighting	190,000	190,000	180,890	9,110	190,488
Parking	98,500	98,500	59,799	38,701	81,560
	<u>1,117,739</u>	<u>1,117,739</u>	<u>1,097,538</u>	<u>20,201</u>	<u>1,546,200</u>

(Continued)

VILLAGE OF SUFFERN, NEW YORK

GENERAL FUND

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

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
Culture and recreation:					
Parks and playgrounds	\$ 284,398	\$ 284,398	\$ 306,517	\$ (22,119)	\$ 280,219
Youth recreation	89,246	89,246	92,234	(2,988)	80,045
Historian	4,191	4,191	4,719	(528)	4,610
	<u>377,835</u>	<u>377,835</u>	<u>403,470</u>	<u>(25,635)</u>	<u>364,874</u>
Home and community services:					
Zoning board	7,419	7,419	6,530	889	7,160
Planning board	22,319	22,319	52,397	(30,078)	52,416
Refuse and garbage	1,104,941	1,104,941	1,117,534	(12,593)	1,008,463
	<u>1,134,679</u>	<u>1,134,679</u>	<u>1,176,461</u>	<u>(41,782)</u>	<u>1,068,039</u>
Employee benefits:					
State retirement	240,000	240,000	342,992	(102,992)	178,700
Commuter tax	21,000	21,000	-	21,000	5,260
Police and fire retirement	650,000	650,000	650,954	(954)	628,288
Social security	393,025	393,025	428,116	(35,091)	424,056
Workers' compensation	290,000	290,000	314,623	(24,623)	321,538
Life insurance	37,448	37,448	33,538	3,910	26,383
Unemployment benefits	4,570	4,570	8,053	(3,483)	10,773
Post retirement pension obligation	-	-	-	-	-
Hospital and medical insurance	1,497,704	1,497,704	1,400,720	96,984	1,314,690
	<u>3,133,747</u>	<u>3,133,747</u>	<u>3,178,996</u>	<u>(45,249)</u>	<u>2,909,688</u>
Debt service:					
Interest – revenue anticipation note	27,032	27,032	27,370	(338)	44,394
Total expenditures	<u>11,587,109</u>	<u>11,587,109</u>	<u>11,768,869</u>	<u>(181,760)</u>	<u>11,702,941</u>
Other financing uses:					
Transfers out:					
Debt Service Fund	645,496	645,496	633,812	11,684	690,087
Capital Projects Fund	323,818	323,818	314,412	9,406	423,346
Total other financing uses	<u>969,314</u>	<u>969,314</u>	<u>948,224</u>	<u>21,090</u>	<u>1,113,433</u>
Total expenditures and other financing uses	<u>\$ 12,556,423</u>	<u>\$ 12,556,423</u>	<u>\$ 12,717,093</u>	<u>\$ (160,670)</u>	<u>\$ 12,816,374</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

WATER FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash:		
Demand deposits	\$ 46,575	\$ 55,013
Petty cash	50	50
	<u>46,625</u>	<u>55,063</u>
Receivables:		
Accounts	5,848	11,079
Water rents	773,647	737,025
Due from other funds	126,931	35,619
Prepaid items	3,117	-
	<u>909,543</u>	<u>783,723</u>
Total assets	<u>\$ 956,168</u>	<u>\$ 838,786</u>
<u>Liabilities and Fund Deficit</u>		
Liabilities:		
Accounts payable	\$ 41,424	\$ 20,499
Accrued liabilities	7,936	15,980
Due to other funds	606,923	634,337
Revenue anticipation notes payable	750,000	750,000
Due to retirement systems	13,667	12,833
Total liabilities	<u>1,419,950</u>	<u>1,433,649</u>
Fund balance (deficit):		
Nonspendable:		
Prepaid items	3,117	-
Advances due from other funds	-	-
Restricted:		
Reserved for encumbrances	-	-
Repayment of RAN	750,000	-
Assigned for purchases on order	10,322	-
Unassigned	(1,227,221)	-
Reserved for encumbrances	-	13,175
Unreserved and undesignated	-	(608,038)
Total fund deficit	<u>(463,782)</u>	<u>(594,863)</u>
Total liabilities and fund deficit	<u>\$ 956,168</u>	<u>\$ 838,786</u>

See independent auditor's report.

WATER FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Years Ended May 31, 2013 and 2012

	2013				2012			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:								
Departmental income	\$ 1,743,650	\$ 1,743,650	\$ 1,744,108	\$ 458	\$ 1,791,243	\$ 1,791,243	\$ 1,700,157	\$ (91,086)
Use of money and property	900	900	313	(587)	900	900	229	(671)
Sale of property and compensation for loss	150	150	880	730	150	150	366	216
Miscellaneous	4,873	4,873	5,080	207	7,480	7,480	6,609	(871)
Total revenues	<u>1,749,573</u>	<u>1,749,573</u>	<u>1,750,381</u>	<u>808</u>	<u>1,799,773</u>	<u>1,799,773</u>	<u>1,707,361</u>	<u>(92,412)</u>
Expenditures:								
Current:								
Home and community services	1,229,843	1,229,843	1,086,336	143,507	1,230,221	1,244,339	1,222,984	21,355
Employee benefits	330,061	330,061	369,673	(39,612)	344,828	342,281	342,281	-
Debt service – interest	6,818	6,818	9,428	(2,610)	12,229	12,229	10,658	1,571
Total expenditures	<u>1,566,722</u>	<u>1,566,722</u>	<u>1,465,437</u>	<u>101,285</u>	<u>1,587,278</u>	<u>1,598,849</u>	<u>1,575,923</u>	<u>22,926</u>
Excess of revenues over expenditures	<u>182,851</u>	<u>182,851</u>	<u>284,944</u>	<u>102,093</u>	<u>212,495</u>	<u>200,924</u>	<u>131,438</u>	<u>(69,486)</u>
Other financing uses:								
Transfers out	(182,851)	(182,851)	(153,863)	28,988	(212,495)	(202,495)	(202,495)	-
Total other financing uses	<u>(182,851)</u>	<u>(182,851)</u>	<u>(153,863)</u>	<u>28,988</u>	<u>(212,495)</u>	<u>(202,495)</u>	<u>(202,495)</u>	<u>-</u>
Net change in fund balance	-	-	131,081	131,081	-	(1,571)	(71,057)	(69,486)
Fund balance (deficit) – beginning of year	<u>-</u>	<u>-</u>	<u>(594,863)</u>	<u>(594,863)</u>	<u>-</u>	<u>1,571</u>	<u>(523,806)</u>	<u>(525,377)</u>
Fund balance (deficit) – end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (463,782)</u>	<u>\$ (463,782)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (594,863)</u>	<u>\$ (594,863)</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

WATER FUND

**SCHEDULE OF REVENUES AND OTHER FINANCING
SOURCES COMPARED TO BUDGET**

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>2012 Actual</u>
Departmental income:					
Metered water sales	\$ 1,716,650	\$ 1,716,650	\$ 1,709,760	\$ (6,890)	\$ 1,681,229
Water service charges	15,000	15,000	14,590	(410)	10,500
Interest and penalties on water rents	<u>12,000</u>	<u>12,000</u>	<u>19,758</u>	<u>7,758</u>	<u>8,428</u>
	<u>1,743,650</u>	<u>1,743,650</u>	<u>1,744,108</u>	<u>458</u>	<u>1,700,157</u>
Use of money and property:					
Earnings on investments	<u>900</u>	<u>900</u>	<u>313</u>	<u>(587)</u>	<u>229</u>
Sale of property and compensation for loss:					
Minor sales	<u>150</u>	<u>150</u>	<u>880</u>	<u>730</u>	<u>366</u>
Miscellaneous:					
Other	<u>4,873</u>	<u>4,873</u>	<u>5,080</u>	<u>207</u>	<u>6,609</u>
	<u>4,873</u>	<u>4,873</u>	<u>5,080</u>	<u>207</u>	<u>6,609</u>
Total revenues	<u>\$ 1,749,573</u>	<u>\$ 1,749,573</u>	<u>\$ 1,750,381</u>	<u>\$ 808</u>	<u>\$ 1,707,361</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

WATER FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
Home and community services:					
Water administration	\$ 286,127	\$ 286,127	\$ 294,920	\$ (8,793)	\$ 285,423
Source of supply, power and pumping	831,016	831,016	705,350	125,666	854,741
Transmission and distribution	112,700	112,700	86,066	26,634	82,820
	<u>1,229,843</u>	<u>1,229,843</u>	<u>1,086,336</u>	<u>143,507</u>	<u>1,222,984</u>
Employee benefits:					
State retirement	75,920	75,920	112,181	(36,261)	78,333
Social security	38,187	38,187	39,173	(986)	39,420
Workers' compensation	37,400	37,400	34,283	3,117	35,700
Hospital and medical insurance	176,481	176,481	182,698	(6,217)	187,505
Post retirement pension obligation	-	-	-	-	-
Life insurance	2,073	2,073	1,338	735	1,323
	<u>330,061</u>	<u>330,061</u>	<u>369,673</u>	<u>(39,612)</u>	<u>342,281</u>
Debt service:					
Interest – revenue anticipation notes	6,818	6,818	9,428	(2,610)	10,658
	<u>1,566,722</u>	<u>1,566,722</u>	<u>1,465,437</u>	<u>101,285</u>	<u>1,575,923</u>
Other financing uses:					
Transfers out:					
Suspense	-	-	(29,428)	29,428	-
Debt Service Fund	51,876	51,876	52,266	(390)	109,195
Capital Projects Fund	130,975	130,975	131,025	(50)	93,300
	<u>182,851</u>	<u>182,851</u>	<u>153,863</u>	<u>28,988</u>	<u>202,495</u>
Total other financing uses	<u>182,851</u>	<u>182,851</u>	<u>153,863</u>	<u>28,988</u>	<u>202,495</u>
Total expenditures and other financing uses	<u>\$ 1,749,573</u>	<u>\$ 1,749,573</u>	<u>\$ 1,619,300</u>	<u>\$ 130,273</u>	<u>\$ 1,778,418</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SEWER FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash – demand deposits	\$ 16,170	\$ 9,626
Receivables:		
Accounts	12,000	16,833
Federal and state aid	-	53,934
Sewer rents	641,159	514,679
Due from other funds	70,026	59,581
Prepaid items	1,667	-
	<u>724,852</u>	<u>645,027</u>
Total assets	<u>\$ 741,022</u>	<u>\$ 654,653</u>
 <u>Liabilities and Fund Balance (Deficit)</u>		
Liabilities:		
Accounts payable	\$ 47,878	\$ 71,620
Accrued liabilities	7,020	26,983
Due to other funds	975,921	841,211
Revenue anticipation notes payable	600,000	550,000
Due to retirement systems	13,417	12,325
	<u>1,644,236</u>	<u>1,502,139</u>
 Fund balance (deficit):		
Nonspendable:		
Prepaid items	1,667	-
Advances due from other funds	-	-
Restricted:		
Repayment of RAN	600,000	-
Assigned for purchases on order	3,876	-
Unassigned	(1,508,757)	-
Unreserved and undesignated	-	(847,486)
	<u>(903,214)</u>	<u>(847,486)</u>
Total fund balance (deficit)	<u>(903,214)</u>	<u>(847,486)</u>
Total liabilities and fund balance (deficit)	<u>\$ 741,022</u>	<u>\$ 654,653</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SEWER FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Years Ended May 31, 2013 and 2012

	2013				2012			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:								
Departmental income:								
Sewer fees	\$ 1,643,459	\$ 1,643,459	\$ 1,467,247	\$ (176,212)	\$ 1,414,803	\$ 1,414,803	\$ 1,187,683	\$ (227,120)
Federal aid	-	-	-	-	-	-	53,934	53,934
Use of money and property	500	500	42	(458)	1,000	1,000	39	(961)
Miscellaneous	6,530	6,530	6,744	214	3,690	3,690	6,885	3,195
Total revenues	<u>1,650,489</u>	<u>1,650,489</u>	<u>1,474,033</u>	<u>(176,456)</u>	<u>1,419,493</u>	<u>1,419,493</u>	<u>1,248,541</u>	<u>(170,952)</u>
Expenditures:								
Current:								
Home and community services	1,040,826	1,040,826	1,064,941	(24,115)	974,572	1,040,710	1,037,873	2,837
Employee benefits	230,980	230,980	262,606	(31,626)	254,624	255,234	255,234	-
Debt service - interest	11,050	11,050	14,403	(3,353)	16,650	18,025	18,025	-
Total expenditures	<u>1,282,856</u>	<u>1,282,856</u>	<u>1,341,950</u>	<u>(59,094)</u>	<u>1,245,846</u>	<u>1,313,969</u>	<u>1,311,132</u>	<u>2,837</u>
Excess (deficiency) of revenues over expenditures	<u>367,633</u>	<u>367,633</u>	<u>132,083</u>	<u>(235,550)</u>	<u>173,647</u>	<u>105,524</u>	<u>(62,591)</u>	<u>(168,115)</u>
Other financing uses:								
Transfers out	(367,633)	(367,633)	(187,811)	179,822	(173,647)	(106,062)	(30,522)	75,540
Total other financing uses	<u>(367,633)</u>	<u>(367,633)</u>	<u>(187,811)</u>	<u>179,822</u>	<u>(173,647)</u>	<u>(106,062)</u>	<u>(30,522)</u>	<u>75,540</u>
Net change in fund balance	-	-	(55,728)	(55,728)	-	(538)	(93,113)	(92,575)
Fund balance (deficit) - beginning of year	-	-	(847,486)	(847,486)	-	538	(754,373)	(754,911)
Fund balance (deficit) - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (903,214)</u>	<u>\$ (903,214)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (847,486)</u>	<u>\$ (847,486)</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SEWER FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

Year Ended May 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance With Final Budget	2012 Actual
Home and community services:					
Sewage treatment and disposal	\$ 1,040,826	\$ 1,040,826	\$ 1,064,941	\$ (24,115)	\$ 1,037,873
Employee benefits:					
State retirement	66,184	66,184	98,160	(31,976)	70,838
Social security	22,433	22,433	23,678	(1,245)	21,294
Workers' compensation	20,000	20,000	18,333	1,667	19,500
Hospital and medical insurance	120,717	120,717	121,490	(773)	143,005
Post retirement pension obligation	-	-	-	-	-
Life insurance	1,646	1,646	945	701	597
	<u>230,980</u>	<u>230,980</u>	<u>262,606</u>	<u>(31,626)</u>	<u>255,234</u>
Debt service:					
Interest – bond anticipation notes	11,050	11,050	14,403	(3,353)	18,025
Total expenditures	<u>1,282,856</u>	<u>1,282,856</u>	<u>1,341,950</u>	<u>(59,094)</u>	<u>1,311,132</u>
Other financing uses:					
Transfers out:					
Debt Service Fund	367,633	367,633	215,964	151,669	30,522
Total other financing uses	<u>367,633</u>	<u>367,633</u>	<u>215,964</u>	<u>151,669</u>	<u>30,522</u>
Total expenditures and other financing uses	<u>\$ 1,650,489</u>	<u>\$ 1,650,489</u>	<u>\$ 1,557,914</u>	<u>\$ 92,575</u>	<u>\$ 1,341,654</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Assets		
Cash – demand deposits	\$ 309,624	\$ 611,267
Receivables:		
Due from other funds	<u>1,441,317</u>	<u>1,746,293</u>
	1,441,317	1,746,293
Total assets	<u>\$ 1,750,941</u>	<u>\$ 2,357,560</u>
 Liabilities and Fund Deficit		
Liabilities:		
Accounts payable	\$ 38,129	\$ 50,441
Due to other funds	63,041	60,426
Bond anticipation notes payable	<u>2,072,743</u>	<u>2,171,436</u>
Total liabilities	<u>2,173,913</u>	<u>2,282,303</u>
Fund deficit:		
Assigned for purchases on order	198,232	-
Unassigned	(621,204)	-
Unreserved and undesignated	<u>-</u>	<u>75,257</u>
Total fund deficit	<u>(422,972)</u>	<u>75,257</u>
Total liabilities and fund deficit	<u>\$ 1,750,941</u>	<u>\$ 2,357,560</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

CAPITAL PROJECTS FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

Years Ended May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenues:		
State aid	\$ 64,713	\$ 136,762
Federal aid	-	-
Miscellaneous	<u>748</u>	<u>-</u>
Total revenues	<u>65,461</u>	<u>136,762</u>
Expenditures – capital outlay	<u>947,320</u>	<u>1,084,788</u>
Deficiency of revenues over expenditures	<u>(881,859)</u>	<u>(948,026)</u>
Other financing sources:		
Proceeds from obligations	(26,245)	3,857,000
Transfers in	<u>409,875</u>	<u>516,646</u>
Total other financing sources	<u>383,630</u>	<u>4,373,646</u>
Net change in fund balance	(498,229)	3,425,620
Fund deficit – beginning of year	<u>75,257</u>	<u>(3,350,363)</u>
Fund deficit – end of year	<u>\$ (422,972)</u>	<u>\$ 75,257</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

CAPITAL PROJECTS FUND

PROJECT LENGTH SCHEDULE

Inception of Project Through May 31, 2013

Project	Authorization	Expenditures and Transfers	Unexpended Balance	Methods of Financing					Fund Balance (Deficit) at May 31, 2013	Bond Anticipation Notes Outstanding at May 31, 2013
				Proceeds of Obligations	State and Federal Aid	Transfers	Other	Totals		
Downtown revitalization	\$ 1,139,939	\$ 1,139,939	\$ -	\$ -	\$ 866,304	\$ 98,634	\$ 160,000	\$ 1,124,938	\$ (15,001)	\$ -
Water Department improvements	287,600	270,000	17,600	208,125	-	61,875	-	270,000	-	-
2005 building improvements	119,450	160,428	(40,978)	48,327	-	71,123	-	119,450	(40,978)	-
Street maintenance equipment	72,725	65,622	7,103	30,481	-	35,141	-	65,622	-	-
Recreation improvements	97,025	95,856	1,169	12,532	30,000	53,324	-	95,856	-	-
Water supply improvements	135,000	181,260	(46,260)	62,223	-	72,777	-	135,000	(46,260)	-
2006 infrared heating system	35,000	19,713	15,287	-	-	30,763	-	30,763	11,050	-
Pavilion pump station	157,262	231,937	(74,675)	-	355	50,000	107,262	157,617	(74,320)	-
Flat roof for hook and ladder	40,000	38,584	1,416	-	-	40,000	-	40,000	1,416	-
Street drainage	20,000	7,633	12,367	-	-	7,633	-	7,633	-	-
Centrifuge scroll assembly	60,000	53,963	6,037	-	-	50,410	-	50,410	(3,553)	-
Sewer line flusher	220,000	219,799	201	-	-	218,585	-	218,585	(1,214)	-
Land purchase	375,000	361,719	13,281	-	-	375,000	-	375,000	13,281	-
Road improvements	220,000	195,558	24,442	-	-	220,000	-	220,000	24,442	-
Variable frequency drive for Well #3	20,000	7,585	12,415	-	-	7,585	-	7,585	-	-
Ultraviolet lift pump purchase	11,898	11,898	-	-	-	11,898	-	11,898	-	-
Fire Department cabinets	15,000	14,496	504	-	-	16,250	-	16,250	1,754	7,500
Road improvements contractual	2,970,000	2,975,957	(5,957)	2,650,000	280,119	160,000	-	3,090,119	114,162	110,000
Meter reading system upgrade	280,000	274,290	5,710	280,000	-	-	-	280,000	5,710	-
Leaf vacuum	45,000	30,238	14,762	-	-	265	-	265	(29,973)	-
Ramapo Avenue curb repaving	145,000	68,158	76,842	-	50,000	71,250	-	121,250	53,092	47,500
Building repairs Operational Center – 2009	350,000	388,530	(38,530)	-	-	274,100	-	274,100	(114,430)	93,300
Fire equipment	35,300	34,852	448	-	-	26,400	-	26,400	(8,452)	17,600
Generator Street Department	10,000	-	10,000	-	-	7,560	-	7,560	7,560	5,040
Police car	30,000	29,337	663	-	-	22,494	-	22,494	(6,843)	14,996
Water Fund equipment	23,700	21,254	2,446	-	-	5,800	-	5,800	(15,454)	-
Crosswalks	129,687	138,564	(8,877)	-	5,829	63,124	-	68,953	(69,611)	-
Equipment street sweeper	148,000	148,000	-	-	100,000	-	-	100,000	(48,000)	-

(Continued)

VILLAGE OF SUFFERN, NEW YORK

CAPITAL PROJECTS FUND

PROJECT LENGTH SCHEDULE (Continued)

Inception of Project Through May 31, 2013

Project	Authorization	Expenditures and Transfers	Unexpended Balance	Methods of Financing					Fund Balance (Deficit) at May 31, 2013	Bond Anticipation Notes Outstanding at May 31, 2013
				Proceeds of Obligations	State and Federal Aid	Transfers	Other	Totals		
Water tower painting	\$ 94,700	\$ -	\$ 94,700	\$ -	\$ -	\$ 33,675	\$ -	\$ 33,675	\$ 33,675	\$ 71,025
Fire Department equipment	40,350	39,152	1,198	-	-	-	-	-	(39,152)	-
Waste water plant upgrades	-	29,257	(29,257)	-	-	-	-	-	(29,257)	-
Fire truck pumper	630,000	615,448	14,552	-	-	314,500	-	314,500	(300,948)	472,500
Street Lighting	-	89,492	(89,492)	-	50,360	-	-	50,360	(39,132)	-
Fire department equipment	133,300	134,541	(1,241)	133,300	-	-	-	133,300	(1,241)	-
Police car	32,784	32,534	250	32,784	-	(250)	-	32,534	-	-
pumps sewer dept	190,000	190,000	-	190,000	-	-	-	190,000	-	-
Utility truck box	50,000	49,374	626	50,916	-	(1,542)	-	49,374	-	-
improvements sewer plant	2,500,000	664,518	1,835,482	1,850,000	-	650,000	-	2,500,000	1,835,482	650,000
Fire Truck H & L	950,000	957,544	(7,544)	950,000	-	-	-	950,000	(7,544)	-
digester cover	487,401	487,401	-	-	-	-	-	-	(487,401)	-
Façade improvement Program	160,000	137,283	22,717	-	-	74,335	-	74,335	(62,948)	-
Fire equipment	83,755	88,925	(5,170)	-	-	-	-	-	(88,925)	84,000
Police car	33,812	31,683	2,129	-	-	-	-	-	(31,683)	34,000
Snow removal equipment	11,000	11,000	-	-	-	-	-	-	(11,000)	11,000
Equipment public works truck	100,000	114,999	(14,999)	-	-	-	-	-	(114,999)	100,000
Road improvements	250,000	395,118	(145,118)	-	-	-	-	-	(395,118)	250,000
Equipment utility truck	25,000	24,421	579	-	-	-	-	-	(24,421)	25,000
Various Equipment	67,480	67,530	(50)	-	-	-	-	-	(67,530)	-
automobile	30,000	28,830	1,170	-	-	-	-	-	(28,830)	-
Street Garage Roof	110,000	102,528	7,472	-	-	-	-	-	(102,528)	-
Roll-off truck	95,000	95,000	-	-	-	-	-	-	(95,000)	-
Roadway improvements	95,000	72,897	22,103	-	-	-	-	-	(72,897)	-
VFD Well No.4	12,000	-	12,000	-	-	-	-	-	-	-
Well No. 1 Pump Modification	50,000	-	50,000	-	-	-	-	-	-	-
Digital Cameras for police cars	41,120	40,861	259	-	-	-	-	-	(40,861)	-
lonergan ave project.	1,350,000	2,608	1,347,392	-	-	-	-	-	(2,608)	-
Totals	\$ 14,815,288	\$ 11,688,114	\$ 3,127,174	\$ 6,498,688	\$ 1,382,967	\$ 3,122,709	\$ 267,262	\$ 11,271,626	\$ (416,488)	\$ 1,993,461

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEETS

May 31, 2013 (With Comparative Totals for 2012)

	Special Purpose Fund	Debt Service Fund	<u>Totals</u>	
			2013	2012
Assets				
Cash – demand deposits	\$ 139,356	\$ 8,384	\$ 147,740	\$ 161,583
Receivables:				
Accounts	313	-	313	13,385
Due from other funds	13,387	-	13,387	3,055
	<u>13,700</u>	<u>-</u>	<u>13,700</u>	<u>16,440</u>
Total assets	<u>\$ 153,056</u>	<u>\$ 8,384</u>	<u>\$ 161,440</u>	<u>\$ 178,023</u>
 Liabilities and Fund Balances				
Liabilities:				
Due to other funds	\$ 103,895	\$ -	\$ 103,895	\$ 94,742
	<u>103,895</u>	<u>-</u>	<u>103,895</u>	<u>94,742</u>
Fund balances:				
Restricted:				
Parklands	49,161	-	49,161	-
Debt service	-	8,384	8,384	-
Reserved for parklands	-	-	-	74,928
Reserved for debt service	-	-	-	8,353
Total fund balances	<u>49,161</u>	<u>8,384</u>	<u>57,545</u>	<u>83,281</u>
Total liabilities and fund balances	<u>\$ 153,056</u>	<u>\$ 8,384</u>	<u>\$ 161,440</u>	<u>\$ 178,023</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

Year Ended May 31, 2013 (With Comparative Totals for 2012)

	Special Purpose Fund	Debt Service Fund	Totals	
			2013	2012
Revenues:				
Use of money and property	\$ 220	\$ 31	\$ 251	\$ 1,126
Total revenues	<u>220</u>	<u>31</u>	<u>251</u>	<u>1,126</u>
Expenditures:				
Current – culture and recreation	25,987	-	25,987	36,447
Debt service:				
Principal	-	647,000	647,000	675,000
Interest	-	258,646	258,646	154,804
Total expenditures	<u>25,987</u>	<u>905,646</u>	<u>931,633</u>	<u>866,251</u>
Deficiency of revenues over expenditures	<u>(25,767)</u>	<u>(905,615)</u>	<u>(931,382)</u>	<u>(865,125)</u>
Other financing sources:				
Transfers in	-	905,646	905,646	829,804
Total other financing sources	<u>-</u>	<u>905,646</u>	<u>905,646</u>	<u>829,804</u>
Net change in fund balances	(25,767)	31	(25,736)	(35,321)
Fund balances – beginning of year	<u>74,928</u>	<u>8,353</u>	<u>83,281</u>	<u>118,602</u>
Fund balances – end of year	<u>\$ 49,161</u>	<u>\$ 8,384</u>	<u>\$ 57,545</u>	<u>\$ 83,281</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash – demand deposits	\$ 139,356	\$ 156,285
Due from other funds	13,387	-
Receivables:		
Accounts	<u>313</u>	<u>13,385</u>
Total assets	<u>\$ 153,056</u>	<u>\$ 169,670</u>
 <u>Liabilities and Fund Balance</u>		
Liabilities:		
Due to other funds	\$ 103,895	\$ 94,742
Total liabilities	<u>103,895</u>	<u>94,742</u>
Fund balance:		
Restricted:		
Parklands	49,161	-
Reserved for parklands	<u>-</u>	<u>74,928</u>
Total fund balance	<u>49,161</u>	<u>74,928</u>
Total liabilities and fund balance	<u>\$ 153,056</u>	<u>\$ 169,670</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

SPECIAL PURPOSE FUND

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

Years Ended May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenues:		
Use of money and property	\$ 220	\$ 246
Total revenues	220	246
Expenditures – current – culture and recreation	<u>25,987</u>	<u>36,447</u>
Deficiency of revenues over expenditures	(25,767)	(36,201)
Fund balance – beginning of year	<u>74,928</u>	<u>111,129</u>
Fund balance – end of year	<u>\$ 49,161</u>	<u>\$ 74,928</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS

May 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash – demand deposits	\$ 8,384	\$ 5,298
Due from other funds	<u>-</u>	<u>3,055</u>
Total assets	<u>\$ 8,384</u>	<u>\$ 8,353</u>
 <u>Fund Balance</u>		
Restricted:		
Debt service	\$ 8,384	\$ -
Reserved for debt service	<u>-</u>	<u>8,353</u>
Total fund balance	<u>\$ 8,384</u>	<u>\$ 8,353</u>

See independent auditor's report.

VILLAGE OF SUFFERN, NEW YORK

DEBT SERVICE FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL

Years Ended May 31, 2013 and 2012

	2013				2012			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues – use of money and property	\$ -	\$ -	\$ 31	\$ 31	\$ -	\$ -	\$ 880	\$ 880
Expenditures – debt service:								
Principal – serial bonds	647,000	647,000	647,000	-	850,000	850,000	675,000	175,000
Interest – serial bonds	255,505	255,505	258,646	(3,141)	251,704	251,704	154,804	96,900
Total expenditures	902,505	902,505	905,646	(3,141)	1,101,704	1,101,704	829,804	271,900
Deficiency of revenues over expenditures	(902,505)	(902,505)	(905,615)	(3,110)	(1,101,704)	(1,101,704)	(828,924)	272,780
Other financing sources – transfers in	902,505	902,505	905,646	3,141	1,101,704	1,101,704	829,804	(271,900)
Net change in fund balance	-	-	31	31	-	-	880	880
Fund balance – beginning of year	-	-	8,353	8,353	-	-	7,473	7,473
Fund balance – end of year	\$ -	\$ -	\$ 8,384	\$ 8,384	\$ -	\$ -	\$ 8,353	\$ 8,353

See independent auditor's report.