

# **Village of Suffern, New York**

**Financial Statements and  
Supplementary Information**

**Year Ended May 31, 2016**



# **Village of Suffern, New York**

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## **Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Suffern, New York**

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Suffern, New York ("Village") as of and for the year ended May 31, 2016, and the related notes to the financial statements, which collectively comprise the Village'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.

### ***Auditors' 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 auditors' 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 Village'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 Village'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, each major fund and the aggregate remaining fund information of the Village as of May 31, 2016 and the respective changes in financial position, thereof, and the respective budgetary comparison for the General, Water and Sewer funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

We draw attention to Note 2F and Note 3G in the notes to the financial statements which disclose the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board Statement Nos. 68 "*Accounting and Financial Reporting for Pensions*" and 71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date*". Our opinion is not modified with respect to this matter.

## ***Other Matters***

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

Accounting principles generally accepted in the United States of America requires that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 State 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.

### ***Supplementary and Other Information***

Our audit for the year ended May 31, 2016 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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 for the year ended May 31, 2016 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2016.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village of Suffern, New York as of and for the year ended May 31, 2015 (not presented herein), and have issued our report thereon dated February 18, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2015 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2015 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2015.

*PKF O'Connor Davies, LLP*  
PKF O'Connor Davies, LLP  
Harrison, New York  
February 27, 2017

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## **Village of Suffern, New York**

### **Management's Discussion and Analysis May 31, 2016**

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#### **Introduction**

This discussion and analysis of the Village of Suffern, New York's ("Village") financial statements provides an overview of the financial activities of the Village of Suffern for the fiscal year ended May 31, 2016. 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 2016**

- On the government-wide financial statements, the liabilities of the Village exceeded its assets at the close of fiscal year 2016 by \$3,352,471. Of this amount, the unrestricted net position is a deficit of \$10,490,724. This deficit is primarily the result of other post-employment benefits (OPEB) obligations (\$5.5 million), pension obligations (\$4.3 million) and compensated absences (\$1.3 million) that will be funded in future periods.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$939,179, an increase of \$7,417,166 from fiscal year 2015. Exclusive of the Capital Projects Fund, the combined ending fund balances were \$1,948,683.
- At the end of the current fiscal year the General Fund reported an ending fund balance of \$1,881,928, which represents an increase of \$3,800,065 from fiscal year 2015.
- During the current fiscal year, the Village issued \$5,141,000 and retired \$400,000 of general obligation debt. The Village's total outstanding general obligation bonds payable at May 31, 2016 totaled \$10,181,000.

#### **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.

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 balance/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 balance 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. Major funds have their information presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Debt Service Fund is a non-major governmental fund.

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 volunteer firefighters Length of Service Award Program (LOSAP).

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 \$3,182,471 at the end of fiscal year 2016.

The following table reflects the condensed Statement of Net Position:

**Statement of Net Position**

	May 31,	
	2016	2015
Current Assets	\$ 3,722,565	\$ 2,788,340
Capital Assets, net	<u>14,510,038</u>	<u>15,121,535</u>
Total Assets	<u>18,232,603</u>	<u>17,909,875</u>
Deferred Outflows of Resources	<u>4,546,684</u>	<u>-</u>
Current Liabilities	2,929,128	9,394,685
Long-Term Liabilities	<u>22,481,018</u>	<u>11,989,763</u>
Total Liabilities	<u>25,410,146</u>	<u>21,384,448</u>
Deferred Inflows of Resources	<u>726,612</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	7,051,595	7,761,859
Restricted	81,658	59,691
Unrestricted	<u>(10,490,724)</u>	<u>(11,296,123)</u>
<b>Total Net Position</b>	<u><b>\$ (3,357,471)</b></u>	<u><b>\$ (3,474,573)</b></u>

The largest component of the Village's net position is its \$7,051,595 net investment in capital assets, 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 and consequently, these assets 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 position of \$81,658 represents resources that are subject to external restrictions on their use. The restrictions are:

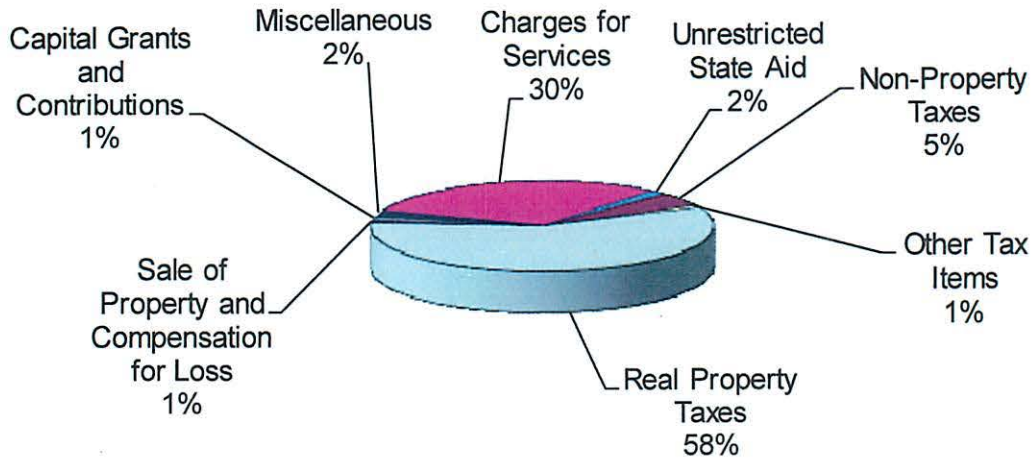
	May 31,	
	2016	2015
Debt Service	\$ 1,065	\$ 1,063
Law Enforcement	15,350	15,350
DARE	<u>65,243</u>	<u>43,278</u>
Restricted Net Assets	<u><b>\$ 81,658</b></u>	<u><b>\$ 59,691</b></u>

The remaining balance is an unrestricted net deficit of \$10,490,724.

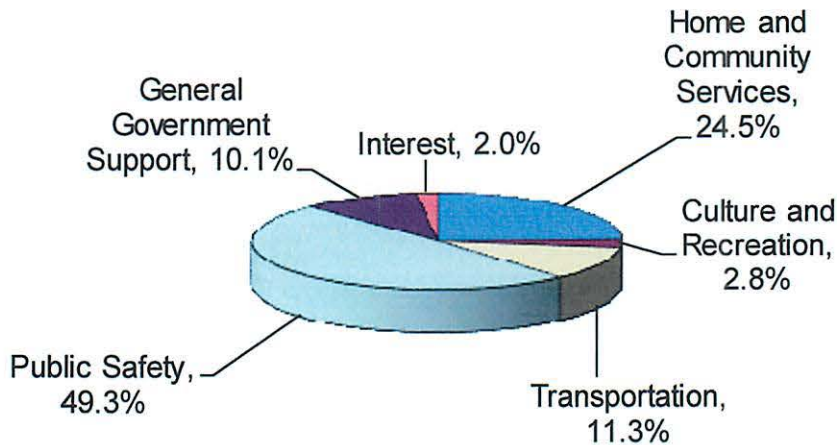
## Changes in Net Position

	May 31,	
	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 5,531,744	\$ 5,257,215
Operating Grants and Contributions	66,925	65,795
Capital Grants and Contributions	211,158	74,609
General Revenues		
Real Property Taxes	10,554,030	9,106,838
Other Tax Items	154,701	153,037
Non-Property Taxes	908,679	906,386
Unrestricted Use of Money and Property	43	373
Sale of Property and Compensation for Loss	87,692	200,574
Unrestricted State Aid	283,893	239,105
Miscellaneous	<u>435,425</u>	<u>232,565</u>
Total Revenues	<u>18,234,290</u>	<u>16,236,497</u>
<b>EXPENSES</b>		
Program Expenses		
General Government Support	1,836,943	1,600,562
Public Safety	8,972,878	8,556,703
Health	17,006	16,482
Transportation	2,052,763	2,274,535
Culture and Recreation	503,828	482,912
Home and Community Services	4,454,130	4,685,499
Interest	<u>361,636</u>	<u>294,505</u>
Total Expenses	<u>18,199,184</u>	<u>17,911,198</u>
Change in Net Position	<u>35,106</u>	<u>(1,674,701)</u>
<b>NET POSITION</b>		
Beginning, as reported	(3,474,573)	(1,799,872)
Cumulative Effect of Change in Accounting Principle	<u>81,996</u>	<u>-</u>
Beginning, as restated	<u>(3,392,577)</u>	<u>(1,799,872)</u>
Ending	<u>\$ (3,357,471)</u>	<u>\$ (3,474,573)</u>

### Sources of Revenue for Fiscal Year 2016 Governmental Activities



### Sources of Expenses for Fiscal Year 2016 Governmental Activities



**Governmental Activities:** Governmental activities increased the Village's net position by \$210,106.

For the fiscal year ended May 31, 2016, revenues from governmental activities totaled \$18,234,290. Tax revenues of \$11,617,410 comprised of real property taxes, other tax items and non-property taxes represented the largest revenue source at 63%.

The largest components of governmental activities' expenses are public safety (49%), and home and community services (24%).

## 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 combined ending fund balances of \$939,179, an increase of \$7,417,166 in comparison with 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 balance of the General Fund was \$1,881,928.

## Capital Asset and Debt Administration

**Capital Assets:** The Village's investment in capital assets for its governmental activities as of May 31, 2016, amounted to \$14,510,038 (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,	
	2016	2015
Land	\$ 309,994	\$ 637,515
Construction-in-Progress	2,992,609	2,995,669
Buildings and Improvements	4,368,431	4,614,197
Machinery and Equipment	3,899,927	3,976,977
Infrastructure	2,939,077	2,897,177
Total	<u>\$ 14,510,038</u>	<u>\$ 15,121,535</u>

Additional information on the Village's capital assets can be found in Note 3 of this report.

**Long-term Debt:** At the end of the current fiscal year, the Village had total bonded indebtedness of \$10,181,000. The Village's general obligation bonded debt increased by \$4,741,000 due to the issuance of \$5,141,000 of general obligation debt and the Village's payment of \$400,000 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 of 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 or [sufferntreasurer@suffernvillage.com](mailto:sufferntreasurer@suffernvillage.com).

**Village of Suffern, New York****Statement of Net Position  
May 31, 2016****ASSETS**

Cash and equivalents	\$ 1,868,213
Receivables	
Accounts, net	291,709
Water rents	529,816
Sewer rents	546,328
State and Federal aid	212,376
Due from other governments	274,123
Capital assets	
Not being depreciated	3,302,603
Being depreciated, net	<u>11,207,435</u>
Total Assets	<u>18,232,603</u>

**DEFERRED OUTFLOWS OF RESOURCES**4,546,684**LIABILITIES**

Accounts payable	651,578
Accrued liabilities	171,890
Unearned revenues	99,168
Retainage payable	70,991
Bond anticipation notes payable - Capital projects	1,385,222
Bond anticipation notes payable - Judgments and claims	152,000
Due to retirement systems	252,537
Accrued interest payable	145,742
Noncurrent liabilities	
Due within one year	985,057
Due in more than one year	<u>21,495,961</u>
Total Liabilities	<u>25,410,146</u>

**DEFERRED INFLOWS OF RESOURCES**726,612**NET POSITION**

Net investment in capital assets	7,051,595
Restricted for	
Debt service	1,065
Law enforcement	15,350
DARE	65,243
Unrestricted	<u>(10,490,724)</u>
Total Net Position	<u>\$ (3,357,471)</u>

The notes to the financial statements are an integral part of this statement.

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Village of Suffern, New York

Statement of Activities  
Year Ended May 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities</b>					
General government support	\$ 1,836,943	\$ 33,951	\$ -	\$ -	\$ (1,802,992)
Public safety	8,972,878	433,893	9,153	-	(8,529,832)
Health	17,006	47,670	-	-	30,664
Transportation	2,052,763	196,433	12,557	210,406	(1,633,367)
Culture and recreation	503,828	55,108	1,776	-	(446,944)
Home and community services	4,454,130	4,764,689	43,439	750	354,748
Interest	361,636	-	-	2	(361,634)
<b>Total Governmental Activities</b>	<b>\$ 18,199,184</b>	<b>\$ 5,531,744</b>	<b>\$ 66,925</b>	<b>\$ 211,158</b>	<b>(12,389,357)</b>
<b>General Revenues</b>					
Real property taxes					10,554,030
Other tax items					
Payments in lieu of taxes					139,470
Interest and penalties on real property taxes					15,231
Non-property taxes					
Non-property tax distribution from County					515,391
Franchise fees and utilities gross receipt tax					393,288
Unrestricted use of money and property					43
Sale of property and compensation for loss					87,692
Unrestricted State aid					283,893
Miscellaneous					435,425
<b>Total General Revenues</b>					<b>12,424,463</b>
<b>Change in Net Position</b>					<b>35,106</b>
<b>NET POSITION</b>					
Beginning, as reported					(3,474,573)
Cumulative Effect of Change in Accounting Principle					81,996
Beginning, as restated					(3,392,577)
Net Position - Ending					<b>\$ (3,357,471)</b>

The notes to the financial statements are an integral part of this statement.

**Village of Suffern, New York**

**Balance Sheet  
Governmental Funds  
May 31, 2016**

	<u>General</u>	<u>Water</u>	<u>Sewer</u>
<b>ASSETS</b>			
Cash and equivalents	<u>\$ 315,260</u>	<u>\$ 1,203,813</u>	<u>\$ 108,917</u>
Receivables			
Accounts, net	274,735	5,479	11,495
Water rents	-	529,816	-
Sewer rents	-	-	546,328
State and Federal aid	99,979	-	-
Due from other governments	274,123	-	-
Due from other funds	2,325,419	-	-
Advances to other funds	<u>365,000</u>	<u>-</u>	<u>-</u>
	<u>3,339,256</u>	<u>535,295</u>	<u>557,823</u>
<b>Total Assets</b>	<u><u>\$ 3,654,516</u></u>	<u><u>\$ 1,739,108</u></u>	<u><u>\$ 666,740</u></u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 459,114	\$ 30,637	\$ 49,805
Accrued liabilities	148,340	14,205	9,345
Due to other funds	638,801	1,552,394	643,861
Advances from other funds	-	-	-
Unearned revenues	99,168	-	-
Retainage payable	62,539	-	-
Bond anticipation notes payable	152,000	-	-
Due to retirement systems	<u>212,626</u>	<u>21,468</u>	<u>18,443</u>
<b>Total Liabilities</b>	<u>1,772,588</u>	<u>1,618,704</u>	<u>721,454</u>
Fund balances (deficits)			
Nonspendable	365,000	-	-
Restricted	80,593	-	-
Committed	2,820	-	-
Assigned	60,489	120,404	-
Unassigned	<u>1,373,026</u>	<u>-</u>	<u>(54,714)</u>
<b>Total Fund Balances (Deficits)</b>	<u>1,881,928</u>	<u>120,404</u>	<u>(54,714)</u>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<u><u>\$ 3,654,516</u></u>	<u><u>\$ 1,739,108</u></u>	<u><u>\$ 666,740</u></u>

The notes to the financial statements are an integral part of this statement.

<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>\$ 234,787</u>	<u>\$ 5,436</u>	<u>\$ 1,868,213</u>
-	-	291,709
-	-	529,816
-	-	546,328
112,397	-	212,376
-	-	274,123
552,993	-	2,878,412
-	-	365,000
<u>665,390</u>	<u>-</u>	<u>5,097,764</u>
<u>\$ 900,177</u>	<u>\$ 5,436</u>	<u>\$ 6,965,977</u>
\$ 112,022	\$ -	\$ 651,578
-	-	171,890
38,985	4,371	2,878,412
365,000	-	365,000
-	-	99,168
8,452	-	70,991
1,385,222	-	1,537,222
-	-	252,537
<u>1,909,681</u>	<u>4,371</u>	<u>6,026,798</u>
-	-	365,000
-	1,065	81,658
-	-	2,820
-	-	180,893
(1,009,504)	-	308,808
<u>(1,009,504)</u>	<u>1,065</u>	<u>939,179</u>
<u>\$ 900,177</u>	<u>\$ 5,436</u>	<u>\$ 6,965,977</u>

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## Village of Suffern, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government - Wide Statement of Net Position May 31, 2016

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Fund Balances - Total Governmental Funds	<u>\$ 939,179</u>
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Amounts Reported for Governmental Activities in the Statement of Net  
Position are Different Because

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>14,510,038</u>
--	-------------------

Governmental funds do not report the effect of assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities Deferred amounts on net pension assets (liabilities)	<u>3,820,072</u>
--	------------------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(145,742)
Bonds payable	(10,181,000)
Installment purchase debt payable	(524,657)
Retirement incentives and other pension obligations	(648,651)
Compensated absences	(1,317,010)
Net pension liability	(4,285,842)
Other post employment benefit obligations payable	<u>(5,523,858)</u>
	<u>(22,626,760)</u>

Net Position of Governmental Activities	<u><u>\$ (3,357,471)</u></u>
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The notes to the financial statements are an integral part of this statement.

**Village of Suffern, New York**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended May 31, 2016**

	General	Water	Sewer
<b>REVENUES</b>			
Real property taxes	\$ 10,554,030	\$ -	\$ -
Other tax items	154,701	-	-
Non-property taxes	908,679	-	-
Departmental income	1,663,186	1,738,379	1,478,163
Use of money and property	33,994	-	2
Licenses and permits	110,787	-	-
Fines and forfeitures	224,023	-	-
Sale of property and compensation for loss	123,213	43,437	-
State aid	307,379	-	-
Federal aid	-	-	-
Miscellaneous	565,263	41,893	111,524
<b>Total Revenues</b>	<b>14,645,255</b>	<b>1,823,709</b>	<b>1,589,689</b>
<b>EXPENDITURES</b>			
Current			
General government support	1,410,121	-	-
Public safety	4,765,482	-	-
Health	9,600	-	-
Transportation	1,327,731	-	-
Culture and recreation	338,121	-	-
Home and community services	1,116,626	1,153,361	990,908
Employee benefits	3,467,877	451,649	308,709
Debt service			
Principal	32,427	-	-
Interest	81,977	19,191	51,814
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>12,549,962</b>	<b>1,624,201</b>	<b>1,351,431</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,095,293</b>	<b>199,508</b>	<b>238,258</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	2,112,234	453,298	1,314,468
Installment purchase debt issued	-	-	-
Sale of real property	292,000	-	-
Transfers in	318,756	7,383	136
Transfers out	(1,018,218)	(63,570)	(225,288)
<b>Total Other Financing Sources</b>	<b>1,704,772</b>	<b>397,111</b>	<b>1,089,316</b>
<b>Net Change in Fund Balances</b>	<b>3,800,065</b>	<b>596,619</b>	<b>1,327,574</b>
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	(1,918,137)	(476,215)	(1,382,288)
End of Year	\$ 1,881,928	\$ 120,404	\$ (54,714)

The notes to the financial statements are an integral part of this statement.

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 10,554,030
-	-	154,701
-	-	908,679
-	-	4,879,728
-	2	33,998
-	-	110,787
-	-	224,023
-	-	166,650
110,406	-	417,785
100,000	-	100,000
750	-	719,430
<u>211,156</u>	<u>2</u>	<u>18,269,811</u>
-	-	1,410,121
-	-	4,765,482
-	-	9,600
-	-	1,327,731
-	-	338,121
-	-	3,260,895
-	-	4,228,235
-	400,000	432,427
-	191,270	344,252
725,865	-	725,865
<u>725,865</u>	<u>591,270</u>	<u>16,842,729</u>
<u>(514,709)</u>	<u>(591,268)</u>	<u>1,427,082</u>
1,261,000	-	5,141,000
557,084	-	557,084
-	-	292,000
715,806	591,270	1,633,351
(326,275)	-	(1,633,351)
<u>2,207,615</u>	<u>591,270</u>	<u>5,990,084</u>
1,692,906	2	7,417,166
<u>(2,702,410)</u>	<u>1,063</u>	<u>(6,477,987)</u>
<u>\$ (1,009,504)</u>	<u>\$ 1,065</u>	<u>\$ 939,179</u>

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**Village of Suffern, New York**

**Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended May 31, 2016**

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**Amounts Reported for Governmental Activities in the Statement of Activities are Different Because**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 7,417,166**

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.

Capital outlay expenditures	646,309
Sale of land	(327,521)
Depreciation expense	(930,285)
	<u>(611,497)</u>

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

Bonds issued	(5,141,000)
Installment purchase debt issued	(557,084)
Principal paid on installment purchase debt	32,427
Principal paid on bonds	400,000
	<u>(5,265,657)</u>

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

Accrued interest	(17,384)
Compensated absences	(101,583)
Retirement incentives and other pension obligations	75,758
Pension assets (liabilities)	(547,766)
Other post employment benefit obligations payable	(913,931)
	<u>(1,504,906)</u>

**Change in Net Position of Governmental Activities** **\$ 35,106**

The notes to the financial statements are an integral part of this statement.

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, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 10,541,244	\$ 10,541,244	\$ 10,554,030	\$ 12,786
Other tax items	172,509	172,509	154,701	(17,808)
Non-property taxes	860,000	860,000	908,679	48,679
Departmental income	1,579,942	1,579,942	1,663,186	83,244
Use of money and property	57,500	57,500	33,994	(23,506)
Licenses and permits	104,600	104,600	110,787	6,187
Fines and forfeitures	260,500	260,500	224,023	(36,477)
Sale of property and compensation for loss	103,000	103,000	123,213	20,213
State aid	306,717	314,442	307,379	(7,063)
Miscellaneous	175,300	175,800	565,263	389,463
<b>Total Revenues</b>	<b>14,161,312</b>	<b>14,169,537</b>	<b>14,645,255</b>	<b>475,718</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,338,091	1,345,816	1,410,121	(64,305)
Public safety	4,892,702	4,903,203	4,765,482	137,721
Health	9,600	9,600	9,600	-
Transportation	1,512,197	1,512,197	1,327,731	184,466
Culture and recreation	292,610	297,609	338,121	(40,512)
Home and community services	1,234,421	1,234,421	1,116,626	117,795
Employee benefits	4,059,323	4,059,323	3,467,877	591,446
Debt service				
Principal	28,498	28,498	32,427	(3,929)
Interest	81,895	81,895	81,977	(82)
<b>Total Expenditures</b>	<b>13,449,337</b>	<b>13,472,562</b>	<b>12,549,962</b>	<b>922,600</b>
<b>Excess of Revenues Over Expenditures</b>	<b>711,975</b>	<b>696,975</b>	<b>2,095,293</b>	<b>1,398,318</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	2,112,234	2,112,234
Sale of real property	-	-	292,000	292,000
Transfers in	-	318,756	318,756	-
Transfers out	(773,392)	(1,092,148)	(1,018,218)	73,930
<b>Total Other Financing Sources (Uses)</b>	<b>(773,392)</b>	<b>(773,392)</b>	<b>1,704,772</b>	<b>2,478,164</b>
<b>Net Change in Fund Balances</b>	<b>(61,417)</b>	<b>(76,417)</b>	<b>3,800,065</b>	<b>3,876,482</b>
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	61,417	76,417	(1,918,137)	(1,994,554)
End of Year	\$ -	\$ -	\$ 1,881,928	\$ 1,881,928

The notes to the financial statements are an integral part of this statement.

Water Fund				Sewer Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,934,642	1,934,642	1,738,379	(196,263)	1,733,235	1,733,235	1,478,163	(255,072)
-	-	-	-	-	1	2	1
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	43,437	43,437	-	-	-	-
-	-	-	-	-	-	-	-
-	-	41,893	41,893	10,000	10,000	111,524	101,524
1,934,642	1,934,642	1,823,709	(110,933)	1,743,235	1,743,236	1,589,689	(153,547)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,379,878	1,385,377	1,153,361	232,016	1,125,738	1,125,739	990,908	134,831
484,124	484,124	451,649	32,475	369,244	369,244	308,709	60,535
-	-	-	-	-	-	-	-
19,322	19,322	19,191	131	51,328	51,328	51,814	(486)
1,883,324	1,888,823	1,624,201	264,622	1,546,310	1,546,311	1,351,431	194,880
51,318	45,819	199,508	153,689	196,925	196,925	238,258	41,333
-	-	453,298	453,298	1,262,500	1,262,500	1,314,468	51,968
-	-	-	-	-	-	-	-
-	7,383	7,383	-	-	136	136	-
(57,860)	(65,243)	(63,570)	1,673	(1,472,151)	(1,472,287)	(225,288)	1,246,999
(57,860)	(57,860)	397,111	454,971	(209,651)	(209,651)	1,089,316	1,298,967
(6,542)	(12,041)	596,619	608,660	(12,726)	(12,726)	1,327,574	1,340,300
6,542	12,041	(476,215)	(488,256)	12,726	12,726	(1,382,288)	(1,395,014)
\$ -	\$ -	\$ 120,404	\$ 120,404	\$ -	\$ -	\$ (54,714)	\$ (54,714)

**Village of Suffern, New York**

**Statement of Assets and Liabilities  
Fiduciary Funds  
May 31, 2016**

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	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 116,489</u>
Investments, at fair value	
Money market funds	18,924
Mutual funds	<u>1,192,558</u>
	<u>1,211,482</u>
Accounts receivable	<u>132,505</u>
Total Assets	<u><u>\$ 1,460,476</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 109,778
Service awards program payable - Fire	<u>1,350,698</u>
Total Liabilities	<u><u>\$ 1,460,476</u></u>

The notes to the financial statements are an integral part of this statement.

## **Village of Suffern, New York**

Notes to Financial Statements  
May 31, 2016

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### **Note 1 - Summary of Significant Accounting Policies**

The Village of Suffern, New York ("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 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, 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.

#### **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, except for interfund services provided and used. For the most part, the effect of interfund activity has been removed from these statements.

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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. 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:

**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 in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for certain defined purposes. 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. The major revenue of this fund is departmental income.

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. The major revenue of this fund is departmental income.

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

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Agency Fund is used to account for employee payroll tax withholdings, fire service awards programs 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 applied to a fund is determined by its 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 statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but 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. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to retirement incentives and other pension obligations, compensated absences, net pension liability and other post employment benefit 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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources 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 provides for the deposit of 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 their 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, 2016.

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

Investments of the Service Awards Program reflected in the Agency Fund are held with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. The amounts are invested in various portfolios by the trustee. These investments are not subject to risk categorization.

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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, 2016, 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 nonspendable fund balance 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 inventoriable 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, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. 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 or estimated historical cost if purchased or constructed. 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 using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	20-60

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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 sheets.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In the government-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned 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 unearned revenues of \$99,168 for solid waste collection charges received in advance in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Village has reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations. These amounts are detailed in the discussion of the Village's pension plans in Note 3G.

**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 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 expended as incurred.

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 expenditures.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation of service. The liability for such accumulated leave is reflected in the government-wide financial statement as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Net Pension Liability** - The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date*".

**Net Position** - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its 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 includes, net investment in capital assets, restricted for debt service, law enforcement and DARE. The balance is classified as unrestricted.

**Fund Balances** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Trustees is the highest level of decision making authority for the Village that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the entity's highest level of decision making authority or a person with delegated authority from the highest level of decision making authority to assign amounts for a specific intended purpose. The Village Board of Trustees adopted a resolution dated January 5, 2015, establishing a fund balance policy authorizing the Village

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Treasurer to assign fund balance. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted and committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned and unassigned.

**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 generally reported as assigned or unassigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is February 27, 2017.

**Note 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 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, 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 15th.
- d) After the public hearing and on or before May 1st, 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.
- g) The Village Board has established legal control of the budget at the object level of expenditures. Transfers between appropriation accounts, at the object level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve 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 original appropriation which was amended.

**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 2015-2016 fiscal year was \$19,710,431, which exceeded the actual levy by \$9,169,187.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

On June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Village in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board of Trustees first enacts, by a vote of at least sixty percent of the total voting power of the Village Board of Trustees, a local law to override such limit for such coming fiscal year.

**C. Fund Deficits**

The Sewer Fund had an unassigned deficit of \$54,714 as of May 31, 2016. The Village plans to address this deficit in the ensuing years.

**D. Capital Projects Fund Deficit**

The deficit in the Capital Projects Fund of \$1,009,504 arises 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 an "other financing source". 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 anticipation notes were issued or outstanding to the extent of the deficit, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

## Village of Suffern, New York

Notes to Financial Statements (Continued)  
May 31, 2016

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### **Note 2 - Stewardship, Compliance and Accountability (Continued)**

#### **E. Excess of Actual Expenditures Over Budget**

The following categories of expenditures and capital projects exceeded their budgetary provision by the amounts indicated:

<b>General Fund</b>	
<b>General Government Support</b>	
Board of Trustees	\$ 84,392
Mayor	991
Auditor	100
Treasurer	76,914
Clerk	13,900
Financial consultant	45,272
Assessment	350
Municipal association dues	96
Judgments and claims	14,423
<b>Transportation</b>	
Street administration	3,125
<b>Culture and Recreation</b>	
Parks and playgrounds	41,654
Historian	1,478
<b>Home and Community Services</b>	
Zoning Board	1,117
Planning Board	9,848
<b>Employee Benefits</b>	
Social security	19,392
Workers' compensation benefits	16,515
Unemployment benefits	3,108
Hospital and medical insurance	68,238
<b>Debt Service</b>	
Principal - Installment purchase debt	3,929
Interest - Bond anticipation notes	3,213
<b>Water Fund</b>	
<b>Home and Community Services</b>	
Source of supply, power and pumping	31,717
<b>Employee Benefits</b>	
Workers' compensation benefits	6,465
Hospital and medical insurance	587
<b>Sewer Fund</b>	
<b>Employee Benefits</b>	
Hospital and medical insurance	4,989
<b>Debt Service</b>	
Interest - Bond anticipation notes	502
<b>Transfers out</b>	
Debt Service Fund	14,038

**Village of Suffern, New York**

Notes to Financial Statements (Continued)  
May 31, 2016

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**Note 2 - Stewardship, Compliance and Accountability (Continued)**

Capital Projects Fund	
Water Supply Improvements	\$ 1,672
Crosswalks	8,878
Water Tower Painting	6,000
Waste Water Plant Upgrades	29,257
Street Lighting	39,132
Hook and Ladder Fire Truck	7,544
Façade Improvement Program	6,385
Fire Equipment	5,113
Public Works Truck	14,907
Road Improvements	144,884
Fire Equipment	534
Well No. 1 Pump Modification	2,774
Roof Hose Company - 2014	8,062
Police Vehicles - 2014	1,116

**F. Cumulative Effect of Change in Accounting Principle**

For the year ended May 31, 2016, the Village implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". These statements seek to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expenses/expenditures. These statements also require the identification of the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. As a result of adopting these standards, the government-wide financial statements reflect a cumulative effect for the change in accounting principle of \$81,996.

**Note 3 - Detailed Notes on All Funds****A. Due From/To Other Funds**

The balances reflected as due from/to other funds at May 31, 2016 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 2,325,419	\$ 638,801
Water	-	1,552,394
Sewer	-	643,861
Capital Projects	552,993	38,985
Non-Major Governmental	-	4,371
	<u>\$ 2,878,412</u>	<u>\$ 2,878,412</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.

**Village of Suffern, New York**

Notes to Financial Statements (Continued)  
May 31, 2016

**Note 3 - Detailed Notes on All Funds (Continued)**

**B. Advances To/From Other Funds**

The balances reflected as advances to/from other funds at May 31, 2016 were as follows:

<u>Fund</u>	<u>Advance To</u>	<u>Advance From</u>
General	\$ 365,000	\$ -
Capital Projects Fund	-	365,000
	<u>\$ 365,000</u>	<u>\$ 365,000</u>

The outstanding balances between funds represent loans which are not expected to be repaid within the subsequent operating cycle. Amounts are offset by a nonspendable fund balance in the governmental funds.

**C. Capital Assets**

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

<u>Class</u>	<u>Balance June 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2016</u>
Capital Assets, not being depreciated:				
Land	\$ 637,515	\$ -	\$ 327,521	\$ 309,994
Construction-in-process	2,995,669	-	3,060	2,992,609
Total Capital Assets, not being depreciated	<u>\$ 3,633,184</u>	<u>\$ -</u>	<u>330,581</u>	<u>\$ 3,302,603</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 10,900,672	\$ -	\$ -	\$ 10,900,672
Machinery and equipment	15,450,824	534,072	55,678	15,929,218
Infrastructure	3,973,533	115,297	-	4,088,830
Total Capital Assets, being depreciated	<u>30,325,029</u>	<u>649,369</u>	<u>55,678</u>	<u>30,918,720</u>
Less Accumulated Depreciation for:				
Buildings and improvements	6,286,475	245,766	-	6,532,241
Machinery and equipment	11,473,847	611,122	55,678	12,029,291
Infrastructure	1,076,356	73,397	-	1,149,753
Total Accumulated Depreciation	<u>18,836,678</u>	<u>930,285</u>	<u>55,678</u>	<u>19,711,285</u>
Total Capital Assets, being depreciated, net	<u>\$ 11,488,351</u>	<u>\$ (280,916)</u>	<u>\$ -</u>	<u>\$ 11,207,435</u>
Capital Assets, net	<u>\$ 15,121,535</u>	<u>\$ (280,916)</u>	<u>\$ 330,581</u>	<u>\$ 14,510,038</u>

## Village of Suffern, New York

Notes to Financial Statements (Continued)  
May 31, 2016

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### **Note 3 - Detailed Notes on All Funds (Continued)**

Depreciation expense was charged to the Village's functions and programs as follows:

General Government Support	\$ 32,860
Public Safety	439,614
Transportation	123,550
Culture and Recreation	14,864
Home and Community Service	319,397
	<hr/>
Total Depreciation Expense	<u>\$ 930,285</u>

#### **D. Accrued Liabilities**

Accrued liabilities at May 31, 2016 were as follows:

	Fund			
	General	Water	Sewer	Total
Payroll and Employee Benefits	<u>\$ 148,340</u>	<u>\$ 14,205</u>	<u>\$ 9,345</u>	<u>\$ 171,890</u>

#### **E. Pension Trust - Fire Service Awards Program**

The Village, pursuant to Article 11-A of the General Municipal Law of the State of New York and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan established as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Village's general creditors. The Program is accounted for in the Village's financial statements within the Agency Fund.

Active volunteer firefighters, upon attainment of age 18, and upon earning 50 or more points in a calendar year after 1990 under the provisions of the Program point system, are eligible to become participants in the Program. Points are granted for the performance of certain activities in accordance with a system established by the Village on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of 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 65 or the participant's age after earning 50 program points), 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 of 40 years. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles. Administrative costs are paid by the Village from the General Fund. Separate financial statements are not issued by the Program.

**Village of Suffern, New York****Notes to Financial Statements (Continued)****May 31, 2016****Note 3 - Detailed Notes on All Funds (Continued)**

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2016</u>
Retirees and beneficiaries	
currently receiving benefits	19
Terminated members entitled to	
but not yet receiving benefits	14
Active - nonvested	60
Active - vested	79

The Village's Board has retained and designated Penflex, Inc. to assist in the administration of the Program. Based on the certified calendar year volunteer firefighter listings, Penflex, Inc. determines and certifies in writing the amount of the service award to be paid to a participant or to a participant's designated beneficiary. As authorized by the Village, Penflex, Inc. then directs the paying agent to pay the service award. No service award benefit payment is made without the written certification from Penflex, Inc. and written confirmation to the Village.

Program assets are required to be held in trust by Article 11-A of the General Municipal Law of the State of New York, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the Program. Authority to invest the Program's assets is vested in the Trustee. Program assets are invested in accordance with a statutory prudent person rule and in accordance with an investment policy adopted by the Village.

The Village is required to retain an actuary to determine the amount of the Village's contributions to the Program. The actuarial firm retained for this purpose is Penflex, Inc. Portions of the following information are derived from a report prepared by the actuary dated December 31, 2015.

Actuarial Present Value of Benefits at December 31, 2015		<u>\$ 1,793,149</u>
Less: Assets Available for Benefits		
	<u>% of total</u>	
Cash	2.94 %	\$ 35,997
Fixed income mutual funds	47.44	580,903
International equities	14.99	183,548
U.S. equities	15.15	185,567
Mixed assets	19.05	233,269
Accounts receivable	0.43	5,229
Less: Liabilities		<u>-</u>
Total Net Assets Available for Benefits		<u>1,224,513</u>
Total Funded (Unfunded) Benefits		<u>(568,636)</u>
Less: Unfunded Liability for Prior Service		<u>-</u>
Funded (Unfunded) Normal Benefits		<u>\$ (568,636)</u>

# Village of Suffern, New York

## Notes to Financial Statements (Continued) May 31, 2016

### Note 3 - Detailed Notes on All Funds (Continued)

The Village is required to contribute the amounts necessary to finance the Program as actuarially determined using the attained age normal frozen initial liability cost method. The net pension obligation is not amortized on a separate basis. The assumed investment rate of return is 5.50% and there are no cost of living adjustments. In addition, projected salary increases are not applicable since members are volunteers and there are no assumptions regarding post-retirement benefit increases since post-retirement aged members are not projected to earn service credits.

The Village's annual Program cost, the percentage of the annual Program cost contributed to the plan and the net pension obligation for the current and two preceding fiscal years were as follows:

	Annual Required Contribution	Actual Contribution	Percentage of Annual Program Cost Contributed	Net Pension Obligation
2016	\$ 132,505	\$ 132,505	100 %	\$ -
2015	138,023	-	-	-
2014	139,971	139,971	100	-

The schedule of funding progress for the defined benefit pension plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

The current contributions were charged to the General Fund.

### F. Short-Term Non-Capital Borrowings – Revenue, Deficiency, Budget and Bond Anticipation Notes

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, 2015	New Issues	Redemptions	Balance May 31, 2016
Revenue anticipation note	2015	-	- %	1,550,000	\$ -	\$ 1,550,000	\$ -
Revenue anticipation note	2015	-	-	345,000	-	345,000	-
Deficiency notes payable	2015	-	-	600,000	-	600,000	-
Budget notes payable	2015	-	-	600,000	-	600,000	-
Bond anticipation note							
Legal Settlements	2012	11/18/16	2.50	100,000	102,000	50,000	152,000
				<u>\$ 3,195,000</u>	<u>\$ 102,000</u>	<u>\$ 3,145,000</u>	<u>\$ 152,000</u>

Interest expenditures of \$74,852 were recorded in the fund financial statements in the funds identified below. Interest expense of \$42,147 was recorded in the government-wide financial statements for governmental activities.

**Village of Suffern, New York**

**Notes to Financial Statements (Continued)**  
**May 31, 2016**

**Note 3 - Detailed Notes on All Funds (Continued)**

<u>Fund</u>	<u>Amount</u>
General	\$ 35,900
Water	17,284
Sewer	21,668
	<u>\$ 74,852</u>

**G. Short-Term Capital Borrowings - Bond Anticipation Notes**

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance at June 1, 2015</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance at May 31, 2016</u>
Bond anticipation note	2010	-	- %	\$ 23,675	\$ -	\$ 23,675	\$ -
Water tower painting	2011	-	-	162,500	-	162,500	-
Sewer digestive cover	2012	04/07/17	2.01	12,510	-	6,255	6,255
Utility truck	2012	04/07/17	2.01	239,490	-	119,746	119,744
Equipment fire/police	2013	11/20/15	2.00	328,950	-	109,650	219,300
Road improvements	2013	11/20/15	2.00	46,500	-	15,500	31,000
Well 4 and well 1 modifications	2014	11/18/16	2.50	449,229	-	112,306	336,923
Various	2014	11/18/16	2.50	50,000	-	12,500	37,500
Sewer study	2015	11/18/16	2.50	1,196,000	-	1,100,000	96,000
Various equipment and improvements	2016	11/18/16	2.50	-	538,500	-	538,500
				<u>\$ 2,508,854</u>	<u>\$ 538,500</u>	<u>\$ 1,662,132</u>	<u>\$ 1,385,222</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 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 \$60,780 were recorded in the fund financial statements in the funds identified below. Interest expense of \$58,417 was recorded in the government-wide financial statements for governmental activities.

<u>Fund</u>	<u>Amount</u>
General	\$ 28,727
Water	1,907
Sewer	30,146
	<u>\$ 60,780</u>

# Village of Suffern, New York

## Notes to Financial Statements (Continued) May 31, 2016

### Note 3 - Detailed Notes on All Funds (Continued)

#### H. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2016:

	Balance as Reported June 1, 2015	Cumulative Effect of Change in Accounting Principle	Balance as Restated June 1, 2015	New Issues/ Additions	Maturities and/or Payments	Balance at May 31, 2016	Due Within One Year
<b>Bonds payable:</b>							
Capital Construction	\$ 5,440,000	\$ -	\$ 5,440,000	\$ 1,261,000	\$ 400,000	\$ 6,301,000	\$ 426,000
Deficit Financing	-	-	-	3,880,000	-	3,880,000	320,000
	5,440,000	-	5,440,000	5,141,000	400,000	10,181,000	746,000
Installment purchase debt	-	-	-	557,084	32,427	524,657	28,618
Retirement Incentives and Other Pension Obligations	724,409	-	724,409	-	75,758	648,651	78,439
Compensated absences	1,215,427	-	1,215,427	223,583	122,000	1,317,010	132,000
Net pension liability	-	658,151	658,151	3,627,691	-	4,285,842	-
Other post employment benefit obligation payable	4,609,927	-	4,609,927	1,561,144	647,213	5,523,858	-
	<u>\$ 11,989,763</u>	<u>\$ 658,151</u>	<u>\$ 12,647,914</u>	<u>\$ 11,110,502</u>	<u>\$ 1,277,398</u>	<u>\$ 22,481,018</u>	<u>\$ 985,057</u>

Each governmental fund's liability for compensated absences, retirement incentives and other pension obligations, net pension liability and other post employment benefit obligations is liquidated by the respective fund. The Village's indebtedness for bonds 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, 2016 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2016
Various General and Water Improvements	2007	\$ 3,450,000	August, 2022	4.00-4.20 %	\$ 1,875,000
Various General, Water and Sewer Improvements	2012	3,857,000	January, 2032	2.50-4.00	3,165,000
Various Sewer Improvements	2016	1,261,000	May, 2036	3.50-4.00	1,261,000
General Obligations Deficit General, Water and Sewer Improvements	2016	3,880,000	March, 2026	5.00	3,880,000
					<u>\$ 10,181,000</u>

Interest expenditures of \$191,270 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$243,722 was recorded in the government-wide financial statements for governmental activities.

On July 30, 2015, the Governor signed into law Chapter 99 of the Laws of 2015, authorizing the Village to issue serial bonds to liquidate certain accumulated deficits in the Village's General Fund, Water Fund, Sewer Fund, and Capital Projects Fund as of the fiscal year ended May 31, 2015. On March 31, 2016, the Village issued \$3,880,000 of General Obligation Deficit Bonds. The bonds mature on March 15 in each year, beginning March 15, 2017 and ending March 15, 2026, with an average coupon rate of 5.00% and a true interest cost of 3.64%. The bonds maturing on or after March 15, 2022 are subject to redemption prior to maturity at the option of the Village.

**Village of Suffern, New York****Notes to Financial Statements (Continued)****May 31, 2016****Note 3 - Detailed Notes on All Funds (Continued)****Installment Purchase Debt**

The Village, in current year, entered into a capital lease for a fire rescue vehicle and related equipment. The annual payments include interest at 3.997% and mature in December 2029. The balance due at May 31, 2016 is \$524,657.

Interest expenditures/expense of \$17,350 was recorded in the fund financial statements in the General Fund and in the government-wide financial statements for governmental activities.

**Retirement Incentives and Other Pension Obligations**

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rates as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The Village has elected to amortize the maximum allowable ERS contribution for fiscal years 2012, 2013 and 2014. In 2012 the total amount amortized under this option was \$202,690, including interest of \$36,225. In 2013 the total amount amortized under this option was \$211,050, including interest of \$31,020. In 2014 the total amount amortized under this option was \$600,740, including interest of \$105,374. In the current year \$75,758 was paid for this obligation. The balance due at December 31, 2016 was \$648,651.

The current year payments were charged to General Fund retirement expenditures.

**Payments to Maturity**

The annual requirements to amortize all outstanding bonds, installment purchase debt and retirement incentives and other pension obligations at May 31, 2016, including interest payments of \$3,305,309 are as follows:

Year Ending May 31,	Bonds Payable		Installment Purchase Debt		Retirement Incentives and Other Pension Obligations		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 746,000	\$ 433,348	\$ 28,618	\$ 21,159	\$ 78,439	\$ 23,009	\$ 853,057	\$ 477,516
2018	790,000	387,408	29,772	20,005	81,216	20,232	900,888	427,645
2019	810,000	355,059	30,972	18,805	84,091	17,357	925,063	391,221
2020	845,000	321,484	32,222	17,555	87,089	14,379	964,291	353,418
2021	880,000	286,426	33,521	16,256	90,153	11,295	1,003,674	313,977
2022-2026	3,995,000	894,511	189,008	59,877	227,683	15,019	4,411,691	969,407
2027-2031	1,455,000	301,170	180,544	18,564	-	-	1,635,544	319,734
2032-2036	660,000	52,391	-	-	-	-	660,000	52,391
	<u>\$ 10,181,000</u>	<u>\$ 3,031,797</u>	<u>\$ 524,657</u>	<u>\$ 172,221</u>	<u>\$ 648,651</u>	<u>\$ 101,291</u>	<u>\$ 11,354,308</u>	<u>\$ 3,305,309</u>

The above general obligation bonds and installment purchase debt 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.

**Note 3 - Detailed Notes on All Funds (Continued)**

**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.

**Pension Plans**

*New York State and Local Retirement System*

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2016 are as follows:

**Village of Suffern, New York****Notes to Financial Statements (Continued)****May 31, 2016****Note 3 - Detailed Notes on All Funds (Continued)**

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	25.2 %
	2 75I	23.1
	3 A14	18.8
	4 A15	18.8
	5 A15	15.5
	6 A15	10.5
PFRS	2 375I	18.3 %
	2 384D	24.7
	3 384D	24.4
	5 384D	20.1
	6 384D	14.3

At May 31, 2016, the Village reported a liability of \$2,025,395 for its proportionate share of the net pension liability of ERS and a liability of \$2,260,447 for its proportionate share of the net pension liability of PFRS. The net pension liability was measured as of March 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2016, the Village's proportion was .0126191% for ERS and 0.0763461% for PFRS. For this first year of implementation, the System reported no change in the allocation percentage measured as of March 31, 2015.

For the year ended May 31, 2016, the Village recognized pension expense in the government-wide financial statements of \$805,466 for ERS and \$908,290 for PFRS. Pension expenditures of \$606,461 for ERS and \$458,121 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 365,690	\$ 458,121
Water	129,509	-
Sewer	111,262	-
	<u>\$ 606,461</u>	<u>\$ 458,121</u>

# Village of Suffern, New York

## Notes to Financial Statements (Continued) May 31, 2016

### Note 3 - Detailed Notes on All Funds (Continued)

At May 31, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,235	\$ 240,077	\$ 20,274	\$ 341,752
Changes of assumptions	540,112	-	974,471	-
Net difference between projected and actual earnings on pension plan investments	1,201,576	-	1,266,798	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	69,823	19,923	210,858	124,860
Village contributions subsequent to the measurement date	108,649	-	143,888	-
	<u>\$ 1,930,395</u>	<u>\$ 260,000</u>	<u>\$ 2,616,289</u>	<u>\$ 466,612</u>

\$108,649 and \$143,888 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2017	\$ 398,331	\$ 480,245
2018	398,331	480,245
2019	398,331	480,245
2020	366,753	462,606
2021	-	102,448

The total pension liability for the March 31, 2016 measurement date was determined by using an actuarial valuation as of April 1, 2015, with update procedures used to roll forward the total pension liabilities to March 31, 2016. Significant actuarial assumptions used in the April 1, 2015 valuation were as follows:

Actuarial cost method	Entry age normal
Inflation	2.5%
Salary scale	3.8% in ERS, 4.5% in PFRS indexed by service
Investment rate of return	7.0% compounded annually, net of investment expenses, including inflation
Cost of living adjustments	1.3% annually

Annuitant mortality rates are based on the April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

# Village of Suffern, New York

Notes to Financial Statements (Continued)  
May 31, 2016

## Note 3 - Detailed Notes on All Funds (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38 %	7.30 %
International Equity	13	8.55
Private Equity	10	11.00
Real Estate	8	8.25
Absolute Return Strategies	3	6.75
Opportunistic Portfolio	3	8.60
Real Assets	3	8.65
Bonds and Mortgages	18	4.00
Cash	2	2.25
Inflation Indexed Bonds	2	4.00
	<u>100 %</u>	

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 4,567,120</u>	<u>\$ 2,025,395</u>	<u>\$ (122,253)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 5,048,946</u>	<u>\$ 2,260,447</u>	<u>\$ (76,920)</u>

## Village of Suffern, New York

### Notes to Financial Statements (Continued) May 31, 2016

#### **Note 3 - Detailed Notes on All Funds (Continued)**

The components of the collective net pension liability as of the March 31, 2016 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 172,303,544,000	\$ 30,347,727,000	\$ 202,651,271,000
Fiduciary net position	156,253,265,000	27,386,940,000	183,640,205,000
Employers' net pension liability	<u>\$ 16,050,279,000</u>	<u>\$ 2,960,787,000</u>	<u>\$ 19,011,066,000</u>
Fiduciary net position as a percentage of total pension liability	<u>90.7%</u>	<u>90.2%</u>	<u>90.6%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of May 31, 2016 represent the employer contribution for the period of April 1, 2016 through May 31, 2016 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS and PFRS as of May 31, 2016 were \$108,649 and \$143,888, respectively.

#### *Voluntary Defined Contribution Plan*

The Village also offers a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earnings at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Village will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

#### **Other Post Employment Benefit Obligations**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing post-employment health care benefits is shared between the Village and the retired employee. Substantially all of the Village's full-time employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid.

The Village's annual other post-employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

**Village of Suffern, New York**

**Notes to Financial Statements (Continued)**

**May 31, 2016**

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**Note 3 - Detailed Notes on All Funds (Continued)**

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 revision 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 of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. 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. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post-retirement benefits are as follows:

<u>Year Ended May 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>
2017	9.00 %	9.00 %
2018	8.50	8.50
2019	8.00	8.00
2020	7.50	7.50
2021	7.00	7.00
2022	6.50	6.50
2023	6.00	6.00
2024	5.50	5.50
2025+	5.00	5.00

The amortization basis is the level dollar method with an open amortization approach with 23 years remaining in the amortization period. The actuarial assumptions include a 4.0% investment rate of return. The Village currently has no assets set aside for the purpose of paying post-employment benefits. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of May 31, 2016 was as follows:

Active Employees	72
Retired Employees	<u>61</u>
	<u>133</u>

**Village of Suffern, New York**

Notes to Financial Statements (Continued)  
May 31, 2016

**Note 3 - Detailed Notes on All Funds (Continued)**

Amortization Component	
Actuarial Accrued Liability as of June 1, 2015	\$ 23,880,886
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 23,880,886</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 7,498,173</u>
UAAL as a Percentage of Covered Payroll	<u>318.49%</u>
Annual Required Contribution	\$ 1,473,306
Interest on Net OPEB Obligation	184,397
Adjustments to Annual Required Contribution	<u>(96,559)</u>
Annual OPEB Cost	1,561,144
Contributions Made	<u>(647,213)</u>
Increase in Net OPEB Obligation	913,931
Net OPEB Obligation - Beginning of Year	<u>4,609,927</u>
Net OPEB Obligation - End of Year	<u>\$ 5,523,858</u>

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 preceding year is as follows:

Fiscal Year Ended May 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 1,561,144	41.5 %	\$ 5,523,858
2015	1,425,418	50.1	4,609,927
2014	1,375,806	50.1	3,899,196

**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.

**Village of Suffern, New York**

**Notes to Financial Statements (Continued)**

**May 31, 2016**

**Note 3 - Detailed Notes on All Funds (Continued)**

Transfers Out	Transfers In					Total
	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ -	\$ 650,566	\$ 367,652	\$ 1,018,218
Water Fund	-	-	-	51,141	12,429	63,570
Sewer Fund	-	-	-	14,099	211,189	225,288
Capital Projects Fund	318,756	7,383	136	-	-	326,275
	<u>\$ 318,756</u>	<u>\$ 7,383</u>	<u>\$ 136</u>	<u>\$ 715,806</u>	<u>\$ 591,270</u>	<u>\$ 1,633,351</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 amounts from the Capital Projects Fund to the governmental funds as projects are completed.

**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 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.

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Village of Suffern, New York

Notes to Financial Statements (Continued)  
May 31, 2016

**Note 3 - Detailed Notes on All Funds (Continued)**

**K. Fund Balances**

	2016						2015					
	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Other Governmental Fund	Total	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Other Governmental Fund	Total
Nonspendable												
Long term receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,295	\$ -	\$ -	\$ -	\$ -	\$ 226,295
Advances	365,000	-	-	-	-	365,000	-	-	-	-	-	-
Total Nonspendable	365,000	-	-	-	-	365,000	226,295	-	-	-	-	226,295
Restricted												
Law enforcement	15,350	-	-	-	-	15,350	15,350	-	-	-	-	15,350
DARE	65,243	-	-	-	-	65,243	43,278	-	-	-	-	43,278
Debt service	-	-	-	-	1,065	1,065	-	-	-	-	1,063	1,063
Total Restricted	80,593	-	-	-	1,065	81,658	58,628	-	-	-	1,063	59,691
Committed												
Fire purposes	-	-	-	-	-	-	5,000	-	-	-	-	5,000
Police purposes	-	-	-	-	-	-	5,000	-	-	-	-	5,000
Suffern Day	2,820	-	-	-	-	2,820	7,820	-	-	-	-	7,820
Total Restricted	2,820	-	-	-	-	2,820	17,820	-	-	-	-	17,820
Assigned												
Purchases on order												
General government support	4,913	-	-	-	-	4,913	-	-	-	-	-	-
Public safety	48,980	-	-	-	-	48,980	-	-	-	-	-	-
Transportation	6,596	-	-	-	-	6,596	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Home and community services	-	41,206	-	-	-	41,206	-	-	-	-	-	-
	60,489	41,206	-	-	-	101,695	-	-	-	-	-	-
Water Fund	-	79,198	-	-	-	79,198	-	-	-	-	-	-
Total Assigned	60,489	120,404	-	-	-	180,893	-	-	-	-	-	-
Unassigned												
Purchases on order												
General government support	-	-	-	-	-	-	7,905	-	-	-	-	7,905
Public safety	-	-	-	-	-	-	51,496	-	-	-	-	51,496
Transportation	-	-	-	-	-	-	2,016	-	-	-	-	2,016
Home and community services	-	-	14,070	-	-	14,070	-	6,542	12,726	-	-	19,268
	-	-	14,070	-	-	14,070	61,417	6,542	12,726	-	-	80,685
Other	-	-	(68,784)	(1,009,504)	-	(1,078,288)	(2,282,297)	(482,757)	(1,395,014)	(2,702,410)	-	(6,882,478)
Total Unassigned	1,373,026	-	(54,714)	(1,009,504)	-	308,808	(2,220,880)	(476,215)	(1,382,288)	(2,702,410)	-	(6,781,793)
Total Fund Balances (Deficits)	\$ 1,881,928	\$ 120,404	\$ (54,714)	\$ (1,009,504)	\$ 1,065	\$ 939,179	\$ (1,918,137)	\$ (476,215)	\$ (1,382,288)	\$ (2,702,410)	\$ 1,063	\$ (6,477,987)

**Note 3 - Detailed Notes on All Funds (Continued)**

Certain elements of 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.

Long-term receivable represents fund set aside to indicate that certain amounts will not be collected in sufficient time to satisfy liabilities of the current period. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Advances have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of amounts advanced to the Capital Projects Fund that will not be repaid within one year.

Suffern Day - Represents an amount committed by the Board for the purpose of promoting Suffern which were received from donations.

Purchases on order are assigned or unassigned and represent 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.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the Sewer and Capital Projects Funds represents the deficit balances in those funds.

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

**Village of Suffern, New York**

Notes to Financial Statements (Concluded)  
May 31, 2016

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**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

**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 \$100,000 per occurrence and \$500,000 in the aggregate for workers' compensation and \$1 million per occurrence and \$3 million in the aggregate for general liability. The Village also has an umbrella policy which provides an additional \$5 million in coverage. The Village purchases conventional medical insurance coverage.

**Note 5 - Subsequent Event**

The Village, on November 17, 2016, issued a \$1,274,265 bond anticipation note for various purposes. The note matures on November 17, 2017 and bears interest at a rate of 3.50% per annum.

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**Village of Suffern, New York****Required Supplementary Information - Schedule of Funding Progress  
Other Post Employment Benefits  
Last Three Fiscal Years**

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2015	\$ -	\$ 23,880,886	\$ 23,880,886	- %	\$ 7,498,173	318.49 %
June 1, 2014	-	24,501,563	24,501,563	-	7,091,644	345.50
June 1, 2013	-	23,702,741	23,702,741	-	7,011,283	338.07

**Village of Suffern, New York****Required Supplementary Information - Schedule of Funding Progress  
Fire Service Awards Program  
Last Six Fiscal Years**

<b>Actuarial Valuation Date December 31,</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Unfunded Actuarial Accrued Liability</b>	<b>Funded Ratio</b>
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
2013	1,303,202	1,604,282	301,080	81.23
2014	1,245,231	1,766,155	520,924	70.51
2015	1,224,513	1,793,149	568,636	68.29

**Village of Suffern, New York**

**Required Supplementary Information - Schedule of Contributions**  
**Fire Service Awards Program**  
**Last Six Fiscal Years**

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<u>Year Ended May 31,</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2011	\$ 140,196	\$ 140,196	100.00 %
2012	139,964	139,964	100.00
2013	136,934	136,934	100.00
2014	139,971	139,971	100.00
2015	138,023	- *	-
2016	132,505	132,505	100.00

\* The contribution was not made in this year. Ongoing costs to the program are calculated without recognizing the amount in program assets and are factored into future required contributions.

## Village of Suffern, New York

### Required Supplementary Information - Schedule of the Village's Proportionate Share of the Net Pension Liability New York State and Local Employees' Retirement System Last Ten Fiscal Years (1)

	2016 (2)
Village's proportion of the net pension liability (asset)	0.0126191%
Village's proportionate share of the net pension liability (asset)	\$ 2,025,395
Village's covered-employee payroll	\$ 3,470,246
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	58.36%
Plan fiduciary net position as a percentage of the total pension liability	90.70%

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

- (1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.
- (2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

**Village of Suffern, New York**

**Required Supplementary Information - Schedule of Contributions  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)**

---

	<u>2016</u>
Contractually required contribution	\$ 599,702
Contributions in relation to the contractually required contribution	<u>(599,702)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Village's covered-employee payroll	<u>\$ 3,617,070</u>
Contributions as a percentage of covered-employee payroll	<u>16.58%</u>

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

## Village of Suffern, New York

### Required Supplementary Information - Schedule of the Village's Proportionate Share of the Net Pension Liability New York State and Local Police and Fire Retirement System Last Ten Fiscal Years (1)

	<u>2016 (2)</u>
Village's proportion of the net pension liability (asset)	<u>0.0763461%</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 2,260,447</u>
Village's covered-employee payroll	<u>\$ 2,835,592</u>
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>79.72%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>90.20%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

**Village of Suffern, New York**

**Required Supplementary Information - Schedule of Contributions  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)**

---

	<u>2016</u>
Contractually required contribution	\$ 455,277
Contributions in relation to the contractually required contribution	<u>(455,277)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Village's covered-employee payroll	<u>\$ 3,723,500</u>
Contributions as a percentage of covered-employee payroll	<u>12.23%</u>

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

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**Village of Suffern, New York****General Fund****Comparative Balance Sheet****May 31,**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 315,260</u>	<u>\$ -</u>
Receivables		
Accounts, net	274,735	400,520
State and Federal aid	99,979	145,548
Due from other governments	274,123	129,935
Due from other funds	2,325,419	2,437,194
Advances to other funds	<u>365,000</u>	<u>-</u>
	<u>3,339,256</u>	<u>3,113,197</u>
Total Assets	<u><u>\$ 3,654,516</u></u>	<u><u>\$ 3,113,197</u></u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 459,114	\$ 1,016,036
Accrued liabilities	148,340	92,861
Due to other funds	638,801	682,120
Unearned revenues	99,168	99,168
Retainage payable	62,539	72,195
Bond anticipation notes payable	152,000	100,000
Deficiency notes payable	-	600,000
Budget notes payable	-	600,000
Due to retirement systems	<u>212,626</u>	<u>1,768,954</u>
Total Liabilities	<u>1,772,588</u>	<u>5,031,334</u>
Fund balance (deficit)		
Nonspendable	365,000	226,295
Restricted	80,593	58,628
Committed	2,820	17,820
Assigned	60,489	-
Unassigned	<u>1,373,026</u>	<u>(2,220,880)</u>
Total Fund Balance (Deficit)	<u>1,881,928</u>	<u>(1,918,137)</u>
Total Liabilities and Fund Balance (Deficit)	<u><u>\$ 3,654,516</u></u>	<u><u>\$ 3,113,197</u></u>

**Village of Suffern, New York**

General Fund  
Comparative Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended May 31,

	2016			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 10,541,244	\$ 10,541,244	\$ 10,554,030	\$ 12,786
Other tax items	172,509	172,509	154,701	(17,808)
Non-property taxes	860,000	860,000	908,679	48,679
Departmental income	1,579,942	1,579,942	1,663,186	83,244
Use of money and property	57,500	57,500	33,994	(23,506)
Licenses and permits	104,600	104,600	110,787	6,187
Fines and forfeitures	260,500	260,500	224,023	(36,477)
Sale of property and compensation for loss	103,000	103,000	123,213	20,213
State aid	306,717	314,442	307,379	(7,063)
Federal aid	-	-	-	-
Miscellaneous	175,300	175,800	565,263	389,463
<b>Total Revenues</b>	<b>14,161,312</b>	<b>14,169,537</b>	<b>14,645,255</b>	<b>475,718</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,338,091	1,345,816	1,410,121	(64,305)
Public safety	4,892,702	4,903,203	4,765,482	137,721
Health	9,600	9,600	9,600	-
Transportation	1,512,197	1,512,197	1,327,731	184,466
Culture and recreation	292,610	297,609	338,121	(40,512)
Home and community services	1,234,421	1,234,421	1,116,626	117,795
Employee benefits	4,059,323	4,059,323	3,467,877	591,446
Debt service				
Principal	28,498	28,498	32,427	(3,929)
Interest	81,895	81,895	81,977	(82)
<b>Total Expenditures</b>	<b>13,449,337</b>	<b>13,472,562</b>	<b>12,549,962</b>	<b>922,600</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>711,975</b>	<b>696,975</b>	<b>2,095,293</b>	<b>1,398,318</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	2,112,234	2,112,234
Sale of real property	-	-	292,000	292,000
Transfers in	-	318,756	318,756	-
Transfers out	(773,392)	(1,092,148)	(1,018,218)	73,930
<b>Total Other Financing Sources (Uses)</b>	<b>(773,392)</b>	<b>(773,392)</b>	<b>1,704,772</b>	<b>2,478,164</b>
<b>Net Change in Fund Balance</b>	<b>(61,417)</b>	<b>(76,417)</b>	<b>3,800,065</b>	<b>3,876,482</b>
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	61,417	76,417	(1,918,137)	(1,994,554)
End of Year	\$ -	\$ -	\$ 1,881,928	\$ 1,881,928

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 9,100,675	\$ 9,100,675	\$ 9,106,838	\$ 6,163
172,509	172,509	153,037	(19,472)
890,000	858,000	906,386	48,386
1,550,121	1,550,121	1,409,884	(140,237)
7,000	39,000	36,076	(2,924)
239,600	239,600	162,468	(77,132)
262,000	262,000	223,742	(38,258)
378,600	95,750	200,574	104,824
308,317	311,317	294,288	(17,029)
-	-	10,001	10,001
247,429	256,553	510,553	254,000
13,156,251	12,885,525	13,013,847	128,322
1,264,008	1,387,736	1,193,196	194,540
4,615,886	5,046,258	4,960,989	85,269
9,600	9,600	9,400	200
1,510,879	1,510,879	1,397,748	113,131
375,853	387,977	335,781	52,196
1,251,402	1,286,202	1,247,817	38,385
3,492,122	3,492,122	3,777,563	(285,441)
-	-	-	-
33,459	59,559	57,371	2,188
12,553,209	13,180,333	12,979,865	200,468
603,042	(294,808)	33,982	328,790
317,150	-	-	-
-	-	-	-
-	-	6,086	6,086
(1,031,005)	(1,016,005)	(922,041)	93,964
(713,855)	(1,016,005)	(915,955)	100,050
(110,813)	(1,310,813)	(881,973)	428,840
110,813	1,310,813	(1,036,164)	(2,346,977)
\$ -	\$ -	\$ (1,918,137)	\$ (1,918,137)

**Village of Suffern, New York**

**General Fund**

**Schedule of Revenues and Other Financing Sources Compared to Budget**

**Year Ended May 31, 2016**

**(With Comparative Actuals for 2015)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2015 Actual</u>
<b>REAL PROPERTY TAXES</b>	<b>\$ 10,541,244</b>	<b>\$ 10,541,244</b>	<b>\$ 10,554,030</b>	<b>\$ 12,786</b>	<b>\$ 9,106,838</b>
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	155,509	155,509	139,470	(16,039)	135,509
Interest and penalties on real property taxes	17,000	17,000	15,231	(1,769)	17,528
	<u>172,509</u>	<u>172,509</u>	<u>154,701</u>	<u>(17,808)</u>	<u>153,037</u>
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	460,000	460,000	515,391	55,391	496,739
Franchise fees and utilities gross receipts taxes	400,000	400,000	393,288	(6,712)	409,647
	<u>860,000</u>	<u>860,000</u>	<u>908,679</u>	<u>48,679</u>	<u>906,386</u>
<b>DEPARTMENTAL INCOME</b>					
Inspection fees	62,400	62,400	58,076	(4,324)	55,060
Certificate of occupancy fees	19,000	19,000	19,800	800	15,600
Police services	10,000	10,000	1,132	(8,868)	3,207
Other public safety	20,000	20,000	20,000	-	25,000
Vital statistics fees	53,000	53,000	47,670	(5,330)	50,124
Parking lot permits	150,000	150,000	196,433	46,433	-
Zoning fees	2,600	2,600	2,605	5	2,240
Planning board fees	23,000	23,000	36,650	13,650	17,074
Pool fees	40,000	40,000	40,276	276	28,440
Other culture and recreation fees	7,000	7,000	14,407	7,407	9,623
Snow removal	-	-	5,587	5,587	-
Refuse and garbage charges	1,192,942	1,192,942	1,220,550	27,608	1,203,516
	<u>1,579,942</u>	<u>1,579,942</u>	<u>1,663,186</u>	<u>83,244</u>	<u>1,409,884</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	1,500	1,500	43	(1,457)	373
Rental of real property	56,000	56,000	33,951	(22,049)	35,703

	57,500	57,500	33,994	(23,506)	36,076
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**LICENSES AND PERMITS**

Business and occupational licenses	600	600	425	(175)	575
Building permits	104,000	104,000	110,362	6,362	161,893

	104,600	104,600	110,787	6,187	162,468
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**FINES AND FORFEITURES**

Fines and forfeited bail	260,500	260,500	224,023	(36,477)	223,742
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**SALE OF PROPERTY AND  
COMPENSATION FOR LOSS**

Sale of equipment	53,000	53,000	2,015	(50,985)	-
Sale of recyclables	-	-	25,005	25,005	6,205
Insurance recoveries	50,000	50,000	94,803	44,803	194,369
Other compensation for loss	-	-	1,390	1,390	-

	103,000	103,000	123,213	20,213	200,574
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**STATE AID**

Per capita	86,717	86,717	99,829	13,112	99,815
Mortgage tax	120,000	120,000	184,064	64,064	139,290
Other transportation	-	-	12,557	12,557	35,576
Youth programs	-	-	1,676	1,676	-
Consolidated Highway Improvement Program	90,000	90,000	-	(90,000)	-
Public safety	-	7,725	9,153	1,428	-
Other	10,000	10,000	100	(9,900)	19,607

	306,717	314,442	307,379	(7,063)	294,288
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**FEDERAL AID**

Emergency management assistance	-	-	-	-	10,001
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**Village of Suffern, New York****General Fund****Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)****Year Ended May 31, 2016****(With Comparative Actuals for 2015)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2015 Actual</u>
<b>MISCELLANEOUS</b>					
Refund of prior year's expenditures	\$ -	\$ -	\$ 169,069	\$ 169,069	\$ 46,910
Gifts and donations	61,300	61,800	129,838	68,038	216,068
Parking Authority reimbursements	-	-	-	-	61,920
Other	114,000	114,000	266,356	152,356	185,655
	<u>175,300</u>	<u>175,800</u>	<u>565,263</u>	<u>389,463</u>	<u>510,553</u>
<b>TOTAL REVENUES</b>	<u>14,161,312</u>	<u>14,169,537</u>	<u>14,645,255</u>	<u>475,718</u>	<u>13,013,847</u>
<b>OTHER FINANCING SOURCES</b>					
Bonds issued	-	-	2,112,234	2,112,234	-
Sale of real property	-	-	292,000	292,000	-
Transfers in					
Capital Projects Fund	-	318,756	318,756	-	-
Special Purpose Fund	-	-	-	-	6,086
	<u>-</u>	<u>318,756</u>	<u>2,722,990</u>	<u>2,404,234</u>	<u>6,086</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>318,756</u>	<u>2,722,990</u>	<u>2,404,234</u>	<u>6,086</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 14,161,312</u>	<u>\$ 14,488,293</u>	<u>\$ 17,368,245</u>	<u>\$ 2,879,952</u>	<u>\$ 13,019,933</u>

**Village of Suffern, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget**

**Year Ended May 31, 2016**

**(With Comparative Actuals for 2015)**

66

	Original Budget	Final Budget	Actual	Variance with Final Budget	2015 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 41,250	\$ 41,250	\$ 125,642	\$ (84,392)	\$ 66,089
Village Justice	261,269	268,994	259,450	9,544	230,307
Mayor	31,500	31,500	32,491	(991)	36,016
Auditor	33,200	33,200	33,300	(100)	32,800
Treasurer	108,333	108,333	185,247	(76,914)	147,583
Clerk	172,241	172,241	186,141	(13,900)	173,074
Financial consultant	18,000	18,000	63,272	(45,272)	46,145
Assessment	12,753	12,753	13,103	(350)	13,103
Village Attorney	97,182	97,182	85,660	11,522	97,905
Shared services	180,463	180,463	176,619	3,844	152,071
Unallocated insurance	225,000	225,000	159,777	65,223	193,257
Municipal association dues	4,900	4,900	4,996	(96)	4,846
Judgments and claims	70,000	70,000	84,423	(14,423)	-
Metropolitan commuter transportation mobility tax	22,000	22,000	-	22,000	-
Contingency	60,000	60,000	-	60,000	-
	<u>1,338,091</u>	<u>1,345,816</u>	<u>1,410,121</u>	<u>(64,305)</u>	<u>1,193,196</u>
<b>PUBLIC SAFETY</b>					
Police Department	4,213,589	4,219,089	4,162,439	56,650	4,225,766
Fire Department	405,973	410,974	342,992	67,982	446,636
DARE	40,000	40,000	37,728	2,272	82,237
Safety inspection	233,140	233,140	222,323	10,817	206,350
	<u>4,892,702</u>	<u>4,903,203</u>	<u>4,765,482</u>	<u>137,721</u>	<u>4,960,989</u>
<b>HEALTH</b>					
Registrar of Vital Statistics	9,600	9,600	9,600	-	9,400
<b>TRANSPORTATION</b>					
Street administration	32,378	32,378	35,503	(3,125)	35,210
Street maintenance	1,028,834	1,028,834	931,745	97,089	978,196
Snow removal	98,755	98,755	50,342	48,413	133,467
Street lighting	215,000	215,000	190,416	24,584	203,820
Parking	137,230	137,230	119,725	17,505	47,055
	<u>1,512,197</u>	<u>1,512,197</u>	<u>1,327,731</u>	<u>184,466</u>	<u>1,397,748</u>

**CULTURE AND RECREATION**

Parks and playgrounds	217,900	222,900	264,554	(41,654)	256,556
Youth recreation	72,729	72,728	70,108	2,620	74,359
Historian	1,981	1,981	3,459	(1,478)	4,866

	<u>292,610</u>	<u>297,609</u>	<u>338,121</u>	<u>(40,512)</u>	<u>335,781</u>
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**HOME AND COMMUNITY SERVICES**

Zoning Board	4,863	4,863	5,980	(1,117)	5,634
Planning Board	15,616	15,616	25,464	(9,848)	6,988
Refuse and garbage	1,213,942	1,213,942	1,085,182	128,760	1,235,195

	<u>1,234,421</u>	<u>1,234,421</u>	<u>1,116,626</u>	<u>117,795</u>	<u>1,247,817</u>
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**EMPLOYEE BENEFITS**

State retirement	421,020	421,020	344,385	76,635	432,707
Police and fire retirement	1,128,290	1,128,290	507,376	620,914	1,025,177
Social security	424,490	424,490	443,882	(19,392)	421,301
Workers' compensation benefits	369,443	369,443	385,958	(16,515)	316,888
Life insurance	47,000	47,000	45,850	1,150	47,329
Unemployment benefits	4,080	4,080	7,188	(3,108)	3,134
Hospital and medical insurance	1,665,000	1,665,000	1,733,238	(68,238)	1,531,027

	<u>4,059,323</u>	<u>4,059,323</u>	<u>3,467,877</u>	<u>591,446</u>	<u>3,777,563</u>
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**DEBT SERVICE**

Principal					
Installment purchase debt	28,498	28,498	32,427	(3,929)	-

**Interest**

Bond anticipation notes	25,514	25,514	28,727	(3,213)	31,285
Deficiency notes	17,951	17,951	17,950	1	-
Budget notes	17,951	17,951	17,950	1	-
Installment purchase debt	20,479	20,479	17,350	3,129	-
Revenue anticipation notes	-	-	-	-	26,086

	<u>81,895</u>	<u>81,895</u>	<u>81,977</u>	<u>(82)</u>	<u>57,371</u>
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	<u>110,393</u>	<u>110,393</u>	<u>114,404</u>	<u>(4,011)</u>	<u>57,371</u>
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**TOTAL EXPENDITURES**

	<u>13,449,337</u>	<u>13,472,562</u>	<u>12,549,962</u>	<u>922,600</u>	<u>12,979,865</u>
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**Village of Suffern, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)**

**Year Ended May 31, 2016**

**(With Comparative Actuals for 2015)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2015 Actual</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Debt Service Fund	\$ 381,690	\$ 381,690	\$ 367,652	\$ 14,038	\$ 535,148
Capital Projects Fund	<u>391,702</u>	<u>710,458</u>	<u>650,566</u>	<u>59,892</u>	<u>386,893</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>773,392</u>	<u>1,092,148</u>	<u>1,018,218</u>	<u>73,930</u>	<u>922,041</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 14,222,729</u>	<u>\$ 14,564,710</u>	<u>\$ 13,568,180</u>	<u>\$ 996,530</u>	<u>\$ 13,901,906</u>

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**Village of Suffern, New York**

**Water Fund  
Comparative Balance Sheet  
May 31,**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 1,203,813</u>	<u>\$ 428,367</u>
Receivables		
Accounts	5,479	5,209
Water rents	<u>529,816</u>	<u>669,769</u>
	<u>535,295</u>	<u>674,978</u>
<b>Total Assets</b>	<u><u>\$ 1,739,108</u></u>	<u><u>\$ 1,103,345</u></u>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 30,637	\$ 37,527
Accrued liabilities	14,205	8,861
Revenue anticipation notes payable	-	950,000
Due to other funds	1,552,394	414,059
Due to retirement systems	<u>21,468</u>	<u>169,113</u>
<b>Total Liabilities</b>	<u>1,618,704</u>	<u>1,579,560</u>
Fund balance (deficit)		
Assigned	120,404	-
Unassigned	<u>-</u>	<u>(476,215)</u>
<b>Total Fund Balance (Deficit)</b>	<u>120,404</u>	<u>(476,215)</u>
<b>Total Liabilities and Fund Balance (Deficit)</b>	<u><u>\$ 1,739,108</u></u>	<u><u>\$ 1,103,345</u></u>

**Village of Suffern, New York****Water Fund****Comparative Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended May 31,**

	2016			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Departmental income	\$ 1,934,642	\$ 1,934,642	\$ 1,738,379	\$ (196,263)
Use of money and property	-	-	-	-
Sale of property and compensation for loss	-	-	43,437	43,437
Miscellaneous	-	-	41,893	41,893
<b>Total Revenues</b>	<b>1,934,642</b>	<b>1,934,642</b>	<b>1,823,709</b>	<b>(110,933)</b>
<b>EXPENDITURES</b>				
Current				
Home and community services	1,379,878	1,385,377	1,153,361	232,016
Employee benefits	484,124	484,124	451,649	32,475
Debt service				
Interest	19,322	19,322	19,191	131
<b>Total Expenditures</b>	<b>1,883,324</b>	<b>1,888,823</b>	<b>1,624,201</b>	<b>264,622</b>
<b>Excess of Revenues Over Expenditures</b>	<b>51,318</b>	<b>45,819</b>	<b>199,508</b>	<b>153,689</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	453,298	453,298
Transfers in	-	7,383	7,383	-
Transfers out	(57,860)	(65,243)	(63,570)	1,673
<b>Total Other Financing Sources (Uses)</b>	<b>(57,860)</b>	<b>(57,860)</b>	<b>397,111</b>	<b>454,971</b>
<b>Net Change in Fund Balance</b>	<b>(6,542)</b>	<b>(12,041)</b>	<b>596,619</b>	<b>608,660</b>
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	6,542	12,041	(476,215)	(488,256)
End of Year	\$ -	\$ -	\$ 120,404	\$ 120,404

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,834,062 800	\$ 1,834,062 800	\$ 1,692,083 22	\$ (141,979) (778)
150	150	548	398
5,300	5,300	5,304	4
<u>1,840,312</u>	<u>1,840,312</u>	<u>1,697,957</u>	<u>(142,355)</u>
1,380,870	1,393,508	1,171,873	221,635
383,708	383,708	472,752	(89,044)
2,873	2,873	12,036	(9,163)
<u>1,767,451</u>	<u>1,780,089</u>	<u>1,656,661</u>	<u>123,428</u>
72,861	60,223	41,296	(18,927)
-	-	-	-
-	-	-	-
<u>(98,156)</u>	<u>(83,156)</u>	<u>(84,062)</u>	<u>(906)</u>
<u>(98,156)</u>	<u>(83,156)</u>	<u>(84,062)</u>	<u>(906)</u>
(25,295)	(22,933)	(42,766)	(19,833)
<u>25,295</u>	<u>22,933</u>	<u>(433,449)</u>	<u>(456,382)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (476,215)</u>	<u>\$ (476,215)</u>

Village of Suffern, New York

Water Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2016

(With Comparative Actuals for 2015)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2015 Actual
<b>DEPARTMENTAL INCOME</b>					
Metered water sales	\$ 1,921,142	\$ 1,921,142	\$ 1,685,080	\$ (236,062)	\$ 1,678,266
Water service charges	1,500	1,500	31,942	30,442	3,400
Interest and penalties on water rents	12,000	12,000	21,357	9,357	10,417
	<u>1,934,642</u>	<u>1,934,642</u>	<u>1,738,379</u>	<u>(196,263)</u>	<u>1,692,083</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	-	-	-	-	22
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>					
Minor sales	-	-	43,437	43,437	548
<b>MISCELLANEOUS</b>					
Other	-	-	41,893	41,893	5,304
<b>TOTAL REVENUES</b>	<u>1,934,642</u>	<u>1,934,642</u>	<u>1,823,709</u>	<u>(110,933)</u>	<u>1,697,957</u>
<b>OTHER FINANCING SOURCES</b>					
Bonds issued	-	-	453,298	453,298	-
Transfers in					
Capital Projects Fund	-	7,383	7,383	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>7,383</u>	<u>460,681</u>	<u>453,298</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 1,934,642</u>	<u>\$ 1,942,025</u>	<u>\$ 2,284,390</u>	<u>\$ 342,365</u>	<u>\$ 1,697,957</u>

**Village of Suffern, New York**

**Water Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget**

**Year Ended May 31, 2016**

**(With Comparative Actuals for 2015)**

	Original Budget	Final Budget	Actual	Variance with Final Budget	2015 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Water administration	\$ 535,811	\$ 535,811	\$ 308,377	\$ 227,434	\$ 315,412
Source of supply, power and pumping	744,846	747,745	779,462	(31,717)	779,608
Transmission and distribution	99,221	101,821	65,522	36,299	76,853
	<u>1,379,878</u>	<u>1,385,377</u>	<u>1,153,361</u>	<u>232,016</u>	<u>1,171,873</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	159,815	159,815	129,509	30,306	148,021
Social security	56,559	56,559	47,622	8,937	41,390
Workers' compensation benefits	35,890	35,890	42,355	(6,465)	34,255
Hospital and medical insurance	229,900	229,900	230,487	(587)	247,338
Life insurance	1,960	1,960	1,676	284	1,748
	<u>484,124</u>	<u>484,124</u>	<u>451,649</u>	<u>32,475</u>	<u>472,752</u>
<b>DEBT SERVICE</b>					
Interest					
Bond anticipation notes	2,014	2,014	1,907	107	2,795
Revenue anticipation notes	17,308	17,308	17,284	24	9,241
	<u>19,322</u>	<u>19,322</u>	<u>19,191</u>	<u>131</u>	<u>12,036</u>
<b>TOTAL EXPENDITURES</b>	<u>1,883,324</u>	<u>1,888,823</u>	<u>1,624,201</u>	<u>264,622</u>	<u>1,656,661</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Debt Service Fund	12,430	12,430	12,429	1	38,630
Capital Projects Fund	45,430	52,813	51,141	1,672	45,432
<b>TOTAL OTHER FINANCING USES</b>	<u>57,860</u>	<u>65,243</u>	<u>63,570</u>	<u>1,673</u>	<u>84,062</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 1,941,184</u>	<u>\$ 1,954,066</u>	<u>\$ 1,687,771</u>	<u>\$ 266,295</u>	<u>\$ 1,740,723</u>

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**Village of Suffern, New York**

**Sewer Fund  
Comparative Balance Sheet  
May 31,**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 108,917</u>	<u>\$ 99,003</u>
Receivables		
Accounts	11,495	11,192
Sewer rents	<u>546,328</u>	<u>641,934</u>
	<u>557,823</u>	<u>653,126</u>
 Total Assets	 <u><u>\$ 666,740</u></u>	 <u><u>\$ 752,129</u></u>
 <b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 49,805	\$ 44,365
Accrued liabilities	9,345	6,736
Revenue anticipation notes payable	-	945,000
Due to other funds	643,861	993,029
Due to retirement systems	<u>18,443</u>	<u>145,287</u>
 Total Liabilities	 721,454	 2,134,417
 Fund deficit		
Unassigned	<u>(54,714)</u>	<u>(1,382,288)</u>
 Total Liabilities and Fund Deficit	 <u><u>\$ 666,740</u></u>	 <u><u>\$ 752,129</u></u>

**Village of Suffern, New York**

**Sewer Fund**

**Comparative Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Years Ended May 31,**

	2016			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Departmental income				
Sewer fees	\$ 1,723,735	\$ 1,723,735	\$ 1,467,737	\$ (255,998)
Penalties	9,500	9,500	10,426	926
	1,733,235	1,733,235	1,478,163	(255,072)
Use of money and property	-	1	2	1
Miscellaneous	10,000	10,000	111,524	101,524
	1,743,235	1,743,236	1,589,689	(153,547)
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Current				
Home and community services	1,125,738	1,125,739	990,908	134,831
Employee benefits	369,244	369,244	308,709	60,535
Debt service				
Interest	51,328	51,328	51,814	(486)
	1,546,310	1,546,311	1,351,431	194,880
<b>Total Expenditures</b>				
Excess of Revenues Over Expenditures	196,925	196,925	238,258	41,333
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	1,262,500	1,262,500	1,314,468	51,968
Transfers in	-	136	136	-
Transfers out	(1,472,151)	(1,472,287)	(225,288)	1,246,999
	(209,651)	(209,651)	1,089,316	1,298,967
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balance	(12,726)	(12,726)	1,327,574	1,340,300
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	12,726	12,726	(1,382,288)	(1,395,014)
End of Year	\$ -	\$ -	\$ (54,714)	\$ (54,714)

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,656,822 8,000	\$ 1,656,822 8,000	\$ 1,431,422 -	\$ (225,400) (8,000)
1,664,822 200 7,156	1,664,822 200 7,156	1,431,422 41 18,621	(233,400) (159) 11,465
1,672,178	1,672,178	1,450,084	(222,094)
1,159,794 266,512 13,931	1,159,795 266,512 13,931	990,738 349,666 14,827	169,057 (83,154) (896)
1,440,237	1,440,238	1,355,231	85,007
231,941	231,940	94,853	(137,087)
162,500 - (406,461)	162,500 - (406,460)	- - (397,367)	(162,500) - 9,093
(243,961)	(243,960)	(397,367)	(153,407)
(12,020)	(12,020)	(302,514)	(290,494)
12,020	12,020	(1,079,774)	(1,091,794)
\$ -	\$ -	\$ (1,382,288)	\$ (1,382,288)

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**Village of Suffern, New York**

**Sewer Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget**

**Year Ended May 31, 2016**

**(With Comparative Actuals for 2015)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2015 Actual</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Sewage treatment and disposal	<u>\$ 1,125,738</u>	<u>\$ 1,125,739</u>	<u>\$ 990,908</u>	<u>\$ 134,831</u>	<u>\$ 990,738</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	137,298	137,298	111,262	26,036	128,666
Social security	49,950	49,950	24,263	25,687	23,310
Workers' compensation benefits	35,946	35,946	23,128	12,818	34,157
Hospital and medical insurance	144,050	144,050	149,039	(4,989)	162,314
Life insurance	<u>2,000</u>	<u>2,000</u>	<u>1,017</u>	<u>983</u>	<u>1,219</u>
	<u>369,244</u>	<u>369,244</u>	<u>308,709</u>	<u>60,535</u>	<u>349,666</u>
<b>DEBT SERVICE</b>					
Interest					
Bond anticipation notes	29,644	29,644	30,146	(502)	8,789
Revenue anticipation notes	<u>21,684</u>	<u>21,684</u>	<u>21,668</u>	<u>16</u>	<u>6,038</u>
	<u>51,328</u>	<u>51,328</u>	<u>51,814</u>	<u>(486)</u>	<u>14,827</u>
<b>TOTAL EXPENDITURES</b>	<u>1,546,310</u>	<u>1,546,311</u>	<u>1,351,431</u>	<u>194,880</u>	<u>1,355,231</u>
<b>OTHER FINANCING USES</b>					
Transfers out					
Debt Service Fund	197,151	197,151	211,189	(14,038)	234,867
Capital Projects Fund	<u>1,275,000</u>	<u>1,275,136</u>	<u>14,099</u>	<u>1,261,037</u>	<u>162,500</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>1,472,151</u>	<u>1,472,287</u>	<u>225,288</u>	<u>1,246,999</u>	<u>397,367</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u><u>\$ 3,018,461</u></u>	<u><u>\$ 3,018,598</u></u>	<u><u>\$ 1,576,719</u></u>	<u><u>\$ 1,441,879</u></u>	<u><u>\$ 1,752,598</u></u>

**Village of Suffern, New York**

**Capital Projects Fund  
Comparative Balance Sheet  
May 31,**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 234,787</u>	<u>\$ 241,801</u>
Receivables		
State and Federal aid	112,397	-
Due from other funds	<u>552,993</u>	<u>185,975</u>
	<u>665,390</u>	<u>185,975</u>
 Total Assets	 <u><u>\$ 900,177</u></u>	 <u><u>\$ 427,776</u></u>
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 112,022	\$ 61,775
Due to other funds	38,985	519,962
Advances from other funds	365,000	-
Retainage payable	8,452	39,595
Bond anticipation notes payable	<u>1,385,222</u>	<u>2,508,854</u>
 Total Liabilities	 1,909,681	 3,130,186
 Fund deficit		
Unassigned	<u>(1,009,504)</u>	<u>(2,702,410)</u>
 Total Liabilities and Fund Deficit	 <u><u>\$ 900,177</u></u>	 <u><u>\$ 427,776</u></u>

**Village of Suffern, New York****Capital Projects Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended May 31,**

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>		
State aid	\$ 110,406	\$ 30,591
Federal aid	100,000	26,535
Miscellaneous	<u>750</u>	<u>17,478</u>
 Total Revenues	 211,156	 74,604
 <b>EXPENDITURES</b>		
Capital outlay	<u>725,865</u>	<u>1,622,990</u>
 Deficiency of Revenues Over Expenditures	 <u>(514,709)</u>	 <u>(1,548,386)</u>
 <b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	1,261,000	-
Installment purchase debt issued	557,084	-
Transfers in	715,806	594,825
Transfers out	<u>(326,275)</u>	<u>-</u>
 Total Other Financing Sources	 <u>2,207,615</u>	 <u>594,825</u>
 Net Change in Fund Balance	 1,692,906	 (953,561)
 <b>FUND DEFICIT</b>		
Beginning of Year	<u>(2,702,410)</u>	<u>(1,748,849)</u>
 End of Year	 <u>\$ (1,009,504)</u>	 <u>\$ (2,702,410)</u>

Village of Suffern, New York

Capital Projects Fund  
Project-Length Schedule  
Inception Of Project Through May 31, 2016

Project	Authorization	Expenditures and Transfers	Unexpended Balance
Water Supply Improvements	\$ 179,589	\$ 181,261	\$ (1,672)
2006 Infra Red Heating System	35,000	30,763	4,237
Centrifuge Scroll Assembly	60,000	53,964	6,036
Sewer Line Flusher	220,000	219,799	201
Leaf Vacuum	45,000	30,238	14,762
Fire Equipment	35,300	35,200	100
Police Car	30,000	29,992	8
Water Fund Equipment	23,700	21,254	2,446
Crosswalks	129,687	138,565	(8,878)
Equipment Street Sweeper	148,000	148,000	-
Water Tower Painting	104,700	110,700	(6,000)
Fire Department Equipment	40,350	39,152	1,198
Waste Water Plant Upgrades	-	29,257	(29,257)
Fire Truck Pumper	630,000	629,500	500
Street Lighting	50,360	89,492	(39,132)
Sewer Plant Improvements	2,500,534	2,354,703	145,831
Hook and Ladder Fire Truck	950,000	957,544	(7,544)
Façade Improvement Program	359,998	366,383	(6,385)
Fire Equipment	83,837	88,950	(5,113)
Police Car	33,909	33,805	104
Snow Removal Equipment	11,010	11,010	-
Public Works Truck	100,092	114,999	(14,907)
Road Improvements	250,234	395,118	(144,884)
Equipment Utility Truck	25,022	25,022	-
Fire Equipment	67,480	68,014	(534)
Automobile	30,000	30,000	-
Street Garage Roof	110,000	110,000	-
Roll-off Truck	95,000	95,000	-
Roadway Improvements	95,000	95,000	-
VFD Well No. 4	12,000	12,000	-
Well No. 1 Pump Modification	50,000	52,774	(2,774)
Police Car Digital Cameras	41,120	41,120	-
Lonergan Avenue Project	1,350,000	1,059,685	290,315
Fire Equipment - 2014	73,229	70,809	2,420
Roof Hose Company - 2014	60,000	68,062	(8,062)
Sewer Study - 2014	50,000	50,000	-
Police Vehicles - 2014	37,000	38,116	(1,116)
Road Improvements - 2014	279,000	279,000	-
Lafayette Theatre Drainage - 2014	10,000	2,900	7,100
Fire Equipment - 2015	81,000	63,245	17,755
Water Well No. 3 Refurbish - 2015	15,000	-	15,000
Sewer System Improvements - 2015	1,100,000	1,015,916	84,084
Computer Systems - 2016	87,000	1,846	85,154
Fire Equipment - 2016	52,500	47,720	4,780
Road Resurfacing - 2016	61,000	286	60,714
Heavy Duty Vehicles - 2016	108,000	714	107,286
LED Street Lighting - 2016	25,500	143	25,357
Sewer System Improvements - 2016	92,000	6,831	85,169
Water System Improvements - 2016	25,500	143	25,357
CDBG Sidewalks and Curbs - 2016	118,260	112,397	5,863
Village Hall Improvements - 2016	87,000	571	86,429
Sewer Abatement - 2016	700,000	-	700,000
Fire Equipment - 2016	557,084	557,084	-
Totals	\$ 11,515,995	\$ 10,014,047	\$ 1,501,948

Total Revenues	Fund Balance (Deficit) at May 31, 2016	Bond Anticipation Notes Outstanding at May 31, 2016
\$ 179,589	\$ (1,672)	\$ -
30,763	-	-
53,926	(38)	-
219,799	-	-
30,238	-	-
35,200	-	-
29,992	-	-
21,254	-	-
119,925	(18,640)	-
100,000	(48,000)	-
104,700	(6,000)	-
518	(38,634)	-
-	(29,257)	-
629,500	-	-
50,360	(39,132)	-
2,500,534	145,831	-
950,000	(7,544)	-
359,998	(6,385)	-
62,859	(26,091)	20,978
25,449	(8,356)	8,356
8,256	(2,754)	2,754
75,049	(39,950)	25,043
187,625	(207,493)	62,609
18,762	(6,260)	6,260
33,740	(34,274)	33,740
15,000	(15,000)	15,000
55,000	(55,000)	55,000
47,500	(47,500)	47,500
47,500	(47,500)	47,500
6,000	(6,000)	6,000
25,000	(27,774)	25,000
20,560	(20,560)	20,560
1,055,659	(4,026)	-
18,307	(52,502)	54,922
15,000	(53,062)	45,000
12,500	(37,500)	37,500
9,250	(28,866)	27,750
69,750	(209,250)	209,250
10,000	7,100	-
-	(63,245)	81,000
-	-	15,000
1,100,000	84,084	-
-	(1,846)	87,000
-	(47,720)	52,500
-	(286)	61,000
-	(714)	108,000
-	(143)	25,500
-	(6,831)	92,000
-	(143)	25,500
112,397	-	-
-	(571)	87,000
-	-	-
557,084	-	-
<u>\$ 9,004,543</u>	<u>\$ (1,009,504)</u>	<u>\$ 1,385,222</u>

**Village of Suffern, New York**

**Balance Sheet  
Non-Major Governmental Funds  
May 31, 2016**

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	<b>Debt Service Fund</b>	
	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 5,436</u>	<u>\$ 15,062</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	\$ 4,371	\$ 13,999
Fund Balance		
Restricted	<u>1,065</u>	<u>1,063</u>
Total Liabilities and Fund Balance	<u>\$ 5,436</u>	<u>\$ 15,062</u>

**Village of Suffern, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended May 31, 2016  
(With Comparative Totals for 2015)

	Debt Service Fund	Total 2015
<b>REVENUES</b>		
Use of money and property	\$ 2	\$ 5
<b>EXPENDITURES</b>		
Debt service		
Principal	400,000	600,000
Interest	191,270	208,645
Total Expenditures	591,270	808,645
Deficiency of Revenues Over Expenditures	(591,268)	(808,640)
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	591,270	808,645
Transfers out	-	(6,086)
Total Other Financing Sources (Uses)	591,270	802,559
Net Change in Fund Balances	2	(6,081)
<b>FUND BALANCES</b>		
Beginning of Year	1,063	7,144
End of Year	\$ 1,065	\$ 1,063

**Village of Suffern, New York**

**Special Purpose Fund**

**Comparative Statement of Revenues, Expenditures and Changes**

**in Fund Balance**

**Years Ended May 31,**

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>	\$ -	\$ -
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-
<b>OTHER FINANCING USES</b>		
Transfers out	<u>-</u>	<u>(6,086)</u>
Net Change in Fund Balance	-	(6,086)
<b>FUND BALANCE</b>		
Beginning of Year	<u>-</u>	<u>6,086</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Village of Suffern, New York**

**Debt Service Fund  
Comparative Balance Sheet  
May 31,**

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	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 5,436</u>	<u>\$ 15,062</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	\$ 4,371	\$ 13,999
Fund Balance		
Restricted	<u>1,065</u>	<u>1,063</u>
Total Liabilities and Fund Balance	<u>\$ 5,436</u>	<u>\$ 15,062</u>

**Village of Suffern, New York**

**Debt Service Fund**

**Comparative Schedule of Revenues, Expenditures and Changes**

**in Fund Balance - Budget and Actual**

**Years Ended May 31,**

	2016			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 2	\$ 2
<b>EXPENDITURES</b>				
Serial bonds				
Principal	400,000	400,000	400,000	-
Interest	191,270	191,270	191,270	-
Total Expenditures	591,270	591,270	591,270	-
Deficiency of Revenues Over Expenditures	(591,270)	(591,270)	(591,268)	2
<b>OTHER FINANCING SOURCES</b>				
Transfers in	591,270	591,270	591,270	-
Net Change in Fund Balance	-	-	2	2
<b>FUND BALANCE</b>				
Beginning of Year	-	-	1,063	1,063
End of Year	\$ -	\$ -	\$ 1,065	\$ 1,065

2015			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 5	\$ 5
600,000	600,000	600,000	-
260,796	260,796	208,645	52,151
860,796	860,796	808,645	52,151
(860,796)	(860,796)	(808,640)	52,156
860,796	860,796	808,645	(52,151)
-	-	5	5
-	-	1,058	1,058
\$ -	\$ -	\$ 1,063	\$ 1,063

