



VILLAGE OF SUFFERN, NEW YORK
AUDITED ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED MAY 31, 2023

**Village of Suffern, New York
Audited Financial Report
Fiscal Year Ended May 31, 2023**

**Prepared by
Office of the Village Treasurer
January 4, 2024**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
List of Village Officials	5
Organizational Chart	6

FINANCIAL SECTION

Independent Auditor's Report.....	9
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Management's Discussion & Analysis (<i>unaudited</i>)	12
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Basic Financial Statements

Statement of Net Position.....	19
Statement of Activities.....	20
Balance Sheet – Governmental Funds.....	21
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position	23
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	25
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government- wide Statement of Activities.....	27
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Water, and Sewer Funds	29
Notes to the Financial Statements.....	31

Required Supplementary Information (*Unaudited*)

Schedule of Funding Progress and Employer Contributions – Other Postemployment Benefits and Local Service Awards Program	67
Schedule of Village's Proportionate Share of the Net Pension Liability and Contributions	69

Other Supplementary Information

General Fund	
Comparative Balance Sheet.....	73
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	75

Water Fund

Comparative Balance Sheet.....	81
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	83

Sewer Fund

Comparative Balance Sheet.....	85
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	87

Capital Projects Fund	
Comparative Balance Sheet.....	89
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	90
Project-Length Schedule – Inception of Project to Date.....	91
Non-Major Fund – Debt Service Fund	
Comparative Balance Sheet.....	93
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	95

SINGLE AUDIT SECTION – FEDERAL PROGRAMS

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	99
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance.....	101
Schedule of Expenditures of Federal Awards	104
Notes to Schedule of Expenditures of Federal Awards	104
Schedule of Findings and Questioned Costs	105

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INTRODUCTORY SECTION



January 4, 2024

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

In accordance with Securities and Exchange Commission (SEC) Rule 15c2-12 ("continuing disclosure rule"), submitted herewith is the audited financial report for the Village of Suffern, New York (Village) for the fiscal year ended May 31, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Berard & Associates, CPA's P.C., a firm of licensed certified public accountants, has issued an unmodified opinion on the Village's financial statements for the fiscal year ended May 31, 2023. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements and should be read in conjunction with this letter of transmittal.

PROFILE OF THE GOVERNMENT

The Village was incorporated in 1896 and is situated within the borders of the Town of Ramapo (Town), in the southwest portion of Rockland County (County) in the State of New York (State), about 30 miles north of New York City. It is comprised of about 2.09 square miles and is bounded by the New York State villages of Hillburn, Airmont and Montebello, and the Township of Mahwah in the State of New Jersey.

The Village is essentially suburban residential in character and is comprised mostly of single and multi-family homes, and several apartment and condominium complexes. The Village also has some moderate commercial development. Avon (a Natura & Co. brand) and Good Samaritan Hospital are the major employers located in the Village.

The Village was established as a municipal government by the State and is vested with such powers and responsibilities inherent in the operation of municipal government, including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property situated in its boundaries and issue debt subject to the provisions of the State's Local Finance Law.

The Suffern Central School District (School District) is the one independent school district operating in the Village that possesses powers with respect to taxation and debt issuance. Village

residents also pay real property taxes to the Town and County to support programs administered by those governmental entities.

Government operations of the Village are subject to the provisions of the State Constitution and various State laws, including the Village Law, the General Municipal Law, and the Local Finance Law. Real property assessment, collection and enforcement procedures are governed by the State Real Property Tax Law.

The Village Board of Trustees (Board) is the legislative, appropriating, governing and policy determining body of the Village and consists of a Mayor and four trustees, all of whom are elected at large to serve two-year terms. The number of terms that may be served is not limited. It is the responsibility of the Board to enact, by resolution, all legislation including ordinances and local laws. Annual operating budgets and all indebtedness for the Village must be authorized by the Board. Certain authority regarding the issuance of debt is generally delegated by the Board to the Village Treasurer as chief fiscal officer. The executive responsibility for the Village is vested in the Mayor, who is a full member of and presiding officer of the Board. Subject to Board approval, the Mayor appoints the Village Clerk, Village Treasurer and Village Attorney.

The Village provides its residents with police and fire protection; public works services that include street and sidewalk maintenance, public parking, refuse and recycling, municipal water and wastewater systems; cultural and recreational activities; building code enforcement; planning and zoning administration, and general government services such as birth and death certificates and business licenses and permits. Ambulance/EMS and additional recreational services are provided by the Town; the County provides a variety of social services, and public educational services K-12 are provided by the School District.

The Village employs approximately 64 full-time employees and 43 part-time employees. Most employees, other than officers and administrative employees, are represented by the Civil Service Employees' Association (CSEA). Police officers are represented by the Suffern Policemen's Benevolent Association (PBA) and police dispatchers and records clerks are represented by Teamsters Local 445 (Teamsters).

ASSESSING ECONOMIC CONDITION

Local Economy

The Village serves as a major commuter hub due to its proximity and accessibility to New York City. Access to New York City and the tri-state area is readily available by car, train, or bus. Major interstate highways such as I-287, I-95 and I-87, and several state and local parkways and highways go through, or are a short drive from, the Village center. The Village is close to three major international airports – LaGuardia (34 miles), Newark-Liberty (39 miles) and John F. Kennedy (45 miles), and four local airports – Teterboro (20 miles), Westchester County (30 miles), Morristown Municipal (36 miles) and Stewart International (39 miles).

According to the U.S. Census Bureau (Quick Facts accessed December 18, 2023), the Village has a diverse population of 11,338 (July 1, 2022; V2022) comprised of individuals who identify themselves as White (57.8%), Hispanic or Latino (17.8%), Black/African American (14.3%), Asian (6.7%), American Indian (1.5%) and other (1.9%). As presented in the table below, the Village compares quite favorably with the Town, County, State, and nation in several demographic and economic indicators.

Economic Indicator (2018-2022)	Village of Suffern	Town of Ramapo	County of Rockland	State of New York	United States
Per capita income	\$49,566	\$30,543	\$44,212	\$47,173	\$41,261
Median household income	\$94,688	\$80,955	\$106,173	\$81,386	\$75,149
Owner-occupied housing	69.1%	54.2%	68.3%	54.3%	64.8%
Median value owner-occupied housing	\$336,300	\$570,300	\$528,900	\$384,100	\$281,900
High school degree or higher, age 25+	92.4%	83.9%	88.6%	87.6%	89.1%
Bachelor's degree or higher, age 25+	46.5%	31.6%	42.5%	38.8%	34.3%
Population age 16+ in civilian labor force	67.1%	60.8%	63.1%	62.8%	63.0%

The U.S. Census Bureau 2020 Economic Survey CB2000CBP reports that 816 establishments located in zip code 10901 provide employment for 10,201 employees with annual payrolls totaling over \$565 million.

Per the U.S. Department of Labor Statistics, the Consumer Price Index – All Urban Consumers, All Items for New York–Newark-Jersey City, NY-NJ-PA (not seasonally adjusted) rose 3.5% (309.243 to 320.002) from May 2022 to May 2023, which is lower than the 4.05% increase (292.296 to 304.127) for the U.S. City average.

The smallest unit of government for which unemployment rates are available from the U.S. Bureau of Labor Statistics is cities or towns above 25,000 population. The Town compares favorably to the County, State, and national levels:

Area	Unemployment Rate Not Seasonally Adjusted		
	May 2023	May 2022	Change
Town of Ramapo	2.2%	2.3%	(0.1)%
County of Rockland	2.5%	2.6%	(0.1)%
State of New York	3.8%	4.0%	(0.2)%
United States	3.4%	3.4%	0.0%

Commerce within the Village itself consists of small shops, stores, restaurants, a bank, and professional offices. Good Samaritan Hospital is located within the Village borders and there are several health care facilities and medical providers in Rockland County and neighboring Bergen County, New Jersey. Three colleges are located within Rockland County: State University of New York (SUNY) Rockland Community College, Dominican College, and St. Thomas Aquinas College. Several other colleges and universities are a short drive to Westchester County, New York City, and Bergen County.

A listing of major capital improvements that support the community can be found in the Capital Projects Fund Project-Length Schedule presented in the Financial Section of this report. The Village's economic base is further strengthened by high quality transportation systems and an easy commute to New York City, Westchester County, Orange County and Bergen County.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

In addition to economic development, the Village has invested in its public infrastructure to make the Village a vibrant, attractive, and active community both day and night. The Village identifies

and quantifies the operational costs associated with its capital projects and budgets the necessary resources. Funding for these projects includes currently available funds, tax-supported debt, self-liquidating (user fee based) debt, and grants.

FINANCIAL POLICIES

The Village operates under a host of comprehensive financial policies that are reviewed, amended as necessary and adopted by the Board of Trustees at least annually. Included in these policies is an investment policy that complies with Sections 10 and 11 of the New York State General Municipal Law (GML), and a procurement policy that complies with Section 104-b of the GML.

The Village purchases insurance for general liability, automobile, cybersecurity, Workers Compensation, employee medical, and other risks. The Village continuously assesses its risks and annually reviews and determines in conjunction with its insurance brokers the appropriate levels of insurance.

The Village continuously monitors its budget and prepares quarterly trial balance and budgetary reports that are submitted to the Board of Trustees and the Office of the State Comptroller. As a result, the Village can plan for its projects and purchases in accordance with available financial resources.

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the dedicated services of Maria Duffy, Deputy Treasurer, and the assistance of all Village departments concerning information specific to their operations. Our gratitude is extended to our Mayor and Board of Trustees, who continuously strive to enhance the quality of life for our citizens. The input from our independent auditor was invaluable and we commend them on their professional and timely completion of our audit. Most importantly, our heartfelt thanks go to our citizens and residents for giving us the opportunity to serve our fine Village.

Respectfully submitted,
VILLAGE OF SUFFERN
/s/ Michael A. Genito
Michael A. Genito
Village Treasurer

MAG/pc

**VILLAGE OF SUFFERN, NEW YORK
VILLAGE OFFICIALS
MAY 31, 2023**

Elected Officials

Michael F. Curley, Mayor

Jo Meegan-Corrigan, Deputy Mayor

Steve Alpert, Trustee

Frank Hagen, Trustee

Angela Denis-Hogue, Trustee

Ernest S. Buonocore, Village Justice

Appointed Officials

Melissa B. Reimer, Village Clerk

Michael A. Genito, Village Treasurer

Terry Rice, Village Attorney

Charles Sawicki, Superintendent of Public Works

Andrew Loughlin, Chief of Police

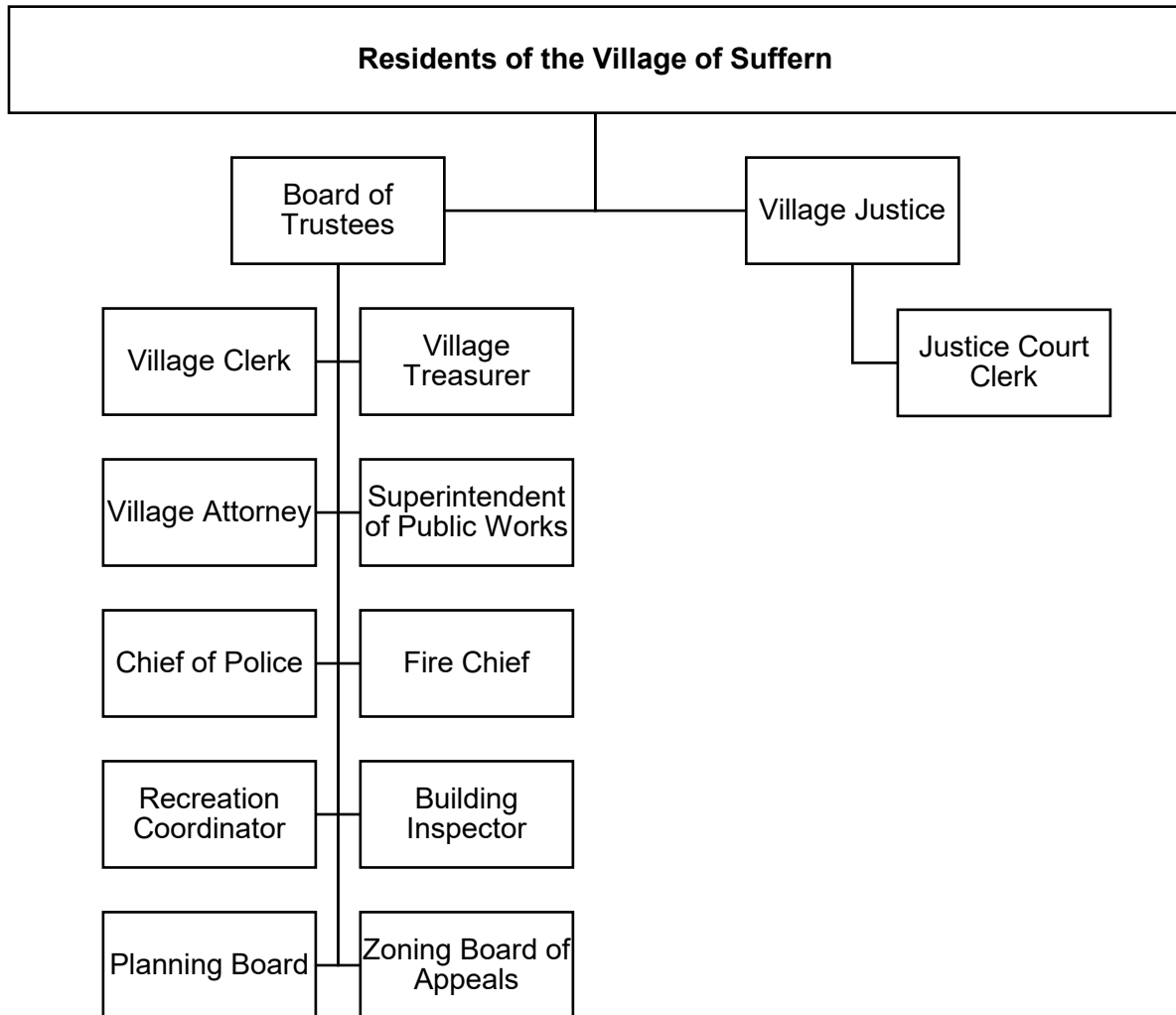
Cathy Mills, Recreation Coordinator

Cyril Geoghegan, Building Inspector

Stephanie F. Adwar, Associate Village Justice

Stephen Mulvaney, Justice Court Clerk

**VILLAGE OF SUFFERN, NEW YORK
ORGANIZATIONAL CHART**



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FINANCIAL SECTION

THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Village of Suffern, New York's basic financial statements as listed in the table of contents.

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 of Suffern, New York, as of May 31, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Suffern, New York and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Suffern, New York's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 of Suffern, New York's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Suffern, New York's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Suffern, New York's basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The, and is also not a required part of the basic financial statements.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2024, on our consideration of the Village of Suffern, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Suffern, New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Suffern, New York's internal control over financial reporting and compliance.



Berard & Associates CPAs, P.C.
Suffern, New York
January 4, 2024

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

Introduction

This management's discussion and analysis ("MD&A") of the Village of Suffern, New York ("Village") financial statements provides an overview of the financial activities of the Village for the fiscal year ended May 31, 2023 ("fiscal year 2023" and "current fiscal year"). Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this MD&A.

Executive Overview

On the government-wide financial statements, the liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources at the close of fiscal year 2023 by \$27.1 million. Of this amount, the unrestricted net position is a deficit of \$45 million. This deficit is primarily the result of other post-employment benefits ("OPEB") obligations of \$42.2 million.

As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$7.7 million, a decrease of \$1.5 million from fiscal year 2022. Exclusive of the Capital Projects Fund, the combined ending fund balances were \$16.5 million.

At the end of the current fiscal year, the General Fund reported an ending fund balance of \$13.4 million, which represents an increase of \$2.1 million over fiscal year 2022.

During the current fiscal year, the Village retired \$1 million of general obligation debt. The Village's outstanding general obligation bonds payable at May 31, 2023 totaled \$7.3 million.

Overview of the Financial Statements

The Village's financial statements are composed of this MD&A and the basic financial statements. The MD&A serves as an introduction to the basic financial statements and 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 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 and economic resources measurement focus. 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 assets and deferred outflows, and liabilities and deferred inflows, 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

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

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 MD&A.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and how 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 the funds of the Village are governmental funds.

Governmental Funds

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 Capital Projects Fund. 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.

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 immediately following the fund financial statements.

Other Information

Additional schedules and information can be found immediately following the notes to the financial statements. These include required supplementary information ("RSI") and comparative governmental fund financial statements (other supplementary information, or "OSI").

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Village's financial position. The following table reflects the condensed Statement of Net Position for fiscal years ended May 31, 2023 and 2022.

Statement of Net Position

	May 31,	
	2023	2022
Current Assets	\$ 19,142,788	\$ 16,459,813
Capital Assets, net	30,565,222	23,778,229
Total Assets	<u>49,708,010</u>	<u>40,238,042</u>
Deferred Outflows of Resources	<u>8,667,727</u>	<u>9,896,733</u>
Current Liabilities	11,183,397	7,334,121
Long-Term Liabilities	61,248,900	54,971,296
Total Liabilities	<u>72,432,297</u>	<u>62,305,417</u>
Deferred Inflows of Resources	<u>13,011,069</u>	<u>63,144,900</u>
Net Investment in Capital Assets	16,170,182	13,274,660
Restricted	1,721,914	1,845,564
Unrestricted	<u>(44,959,725)</u>	<u>(48,258,678)</u>
Total Net Position	<u>\$ (27,067,629)</u>	<u>\$ (33,138,454)</u>

The largest component of the Village's net position is its \$16.2 million net investment in capital assets, which reflects its investment in capital assets, less any related accumulated depreciation and 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 \$1.72 million represents resources that are subject to external restrictions on their use. Of this amount, \$1.68 million represents resources held to finance the Village's Local Service Award Program ("LOSAP") for its volunteer firefighters, and the remaining restrictions are for law enforcement purposes.

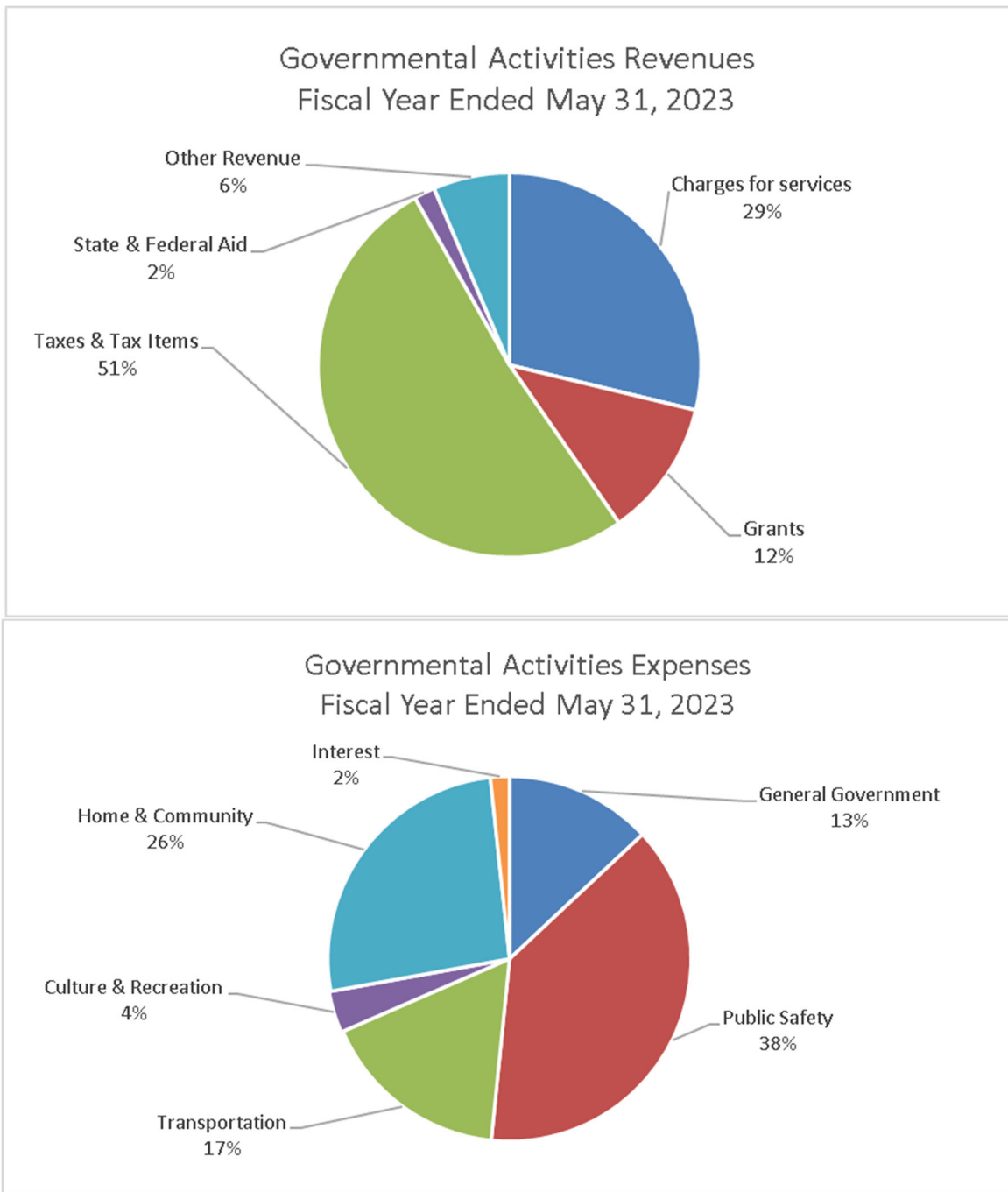
MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

Changes in Net Position

	May 31,	
	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues		
Charges for services	\$ 7,148,547	\$ 6,938,665
Operating grants	163,583	368,885
Capital Grants	2,708,986	1,893,884
General Revenues		
Real property taxes	12,123,299	12,043,119
Other tax items	257,292	291,209
Non-property taxes	402,961	403,886
Unrestricted use of money and property	485,148	36,870
Sale of property and compensation for loss	205,737	129,029
Sales tax distribution from County	711,646	737,015
Unrestricted State aid	440,730	442,411
Miscellaneous	198,691	471,665
Total Revenues	<u>24,846,620</u>	<u>23,756,638</u>
Expenses		
Program Expenses		
General Government	2,185,243	1,950,529
Public Safety	7,469,183	7,067,983
Health	15,000	9,680
Transportation	3,303,192	2,909,204
Culture and Recreation	718,730	583,466
Home and Community Services	4,760,725	4,473,042
Interest	323,722	341,738
Total Expenses	<u>18,775,795</u>	<u>17,335,642</u>
Change in Net Position	6,070,825	6,420,996
Net Position - Beginning	<u>(33,138,454)</u>	<u>(39,559,450)</u>
Net Position - Ending	<u><u>\$ (27,067,629)</u></u>	<u><u>\$ (33,138,454)</u></u>

Governmental activities increased the Village's net position by \$6.1 million. For the fiscal year ended May 31, 2023, revenues from governmental activities totaled \$24.8 million. Tax revenues of \$12.8 million comprised of real property taxes, other tax items and non-property taxes represented the largest revenue source at 51%. The largest components of governmental activities' expenses are public safety (40%), and home and community services (25%).

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)



Financial Analysis of the Governmental Funds

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related requirements. 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. 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 unrestricted fund balances of \$3 million comprised of the General Fund \$9.4 million; Water Fund \$1.9 million; Sewer Fund \$634,889 and the Capital Projects Fund \$8.9 million deficit.

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

Capital Assets

The Village's investment in capital assets as of May 31, 2023, net of accumulated depreciation, was \$30.5 million. Capital assets includes land, construction-in-progress, buildings and improvements, machinery and equipment and infrastructure.

Capital Assets (Net of Depreciation)

	May 31,	
	2023	2022
Land	\$ 309,995	\$ 309,995
Construction in Progress	13,613,779	6,788,334
Buildings and Improvements	2,866,289	3,105,648
Machinery and Equipment	3,667,037	3,698,439
Infrastructure	10,108,122	9,875,812
Total	<u>\$ 30,565,222</u>	<u>\$ 23,778,228</u>

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

Debt Administration

The Village includes appropriations for the required debt service (principal and interest) payments with the adoption of the annual operating budgets. Funds are transferred from the General Fund, Water Fund and Sewer Fund to the Debt Service Fund, and then paid out of the Debt Service Fund. As required by New York State law, all bonds issued by the Village are general obligation (GO) 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 3G of this report.

Requests for Information

This financial report is designed to provide a general overview of the Village'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, Village Treasurer, Village of Suffern, 61 Washington Avenue, Suffern, New York 10901, treasurer@suffernny.gov, 845-357-2600.

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VILLAGE OF SUFFERN
Statement of Net Position
May 31, 2023

ASSETS

Cash	\$ 2,150,726
Restricted cash	740,332
Investments	12,340,862
Investments - restricted	1,939,133
Receivables	
Accounts, net	99,832
Leases	299,178
Water rents	466,553
Sewer rents	713,065
Due from state and federal governments	181,292
Due from other governments	196,815
Deposits	15,000
Capital assets	
Not being depreciated	13,923,774
Being depreciated, net	<u>16,641,448</u>
Total assets	<u>49,708,010</u>

DEFERRED OUTFLOWS OF RESOURCES	<u>8,667,727</u>
---------------------------------------	------------------

LIABILITIES

Accounts payable	1,071,004
Accrued liabilities	376,462
Security deposits	221,760
Bond anticipation notes payable	8,500,048
Due to retirement systems	246,788
Due to other governments	94,593
Other liabilities	672,742
Noncurrent liabilities	
Due within one year	4,297,992
Due in more than one year	<u>56,950,908</u>
Total liabilities	<u>72,432,297</u>

DEFERRED INFLOWS OF RESOURCES	<u>13,011,069</u>
--------------------------------------	-------------------

NET POSITION

Net investment in capital assets	16,170,182
Restricted for	
Fire service awards program	1,681,109
Law enforcement	10,561
DARE	30,244
Unrestricted	<u>(44,959,725)</u>
Total net position	<u><u>\$ (27,067,629)</u></u>

See notes to financial statements.

VILLAGE OF SUFFERN
Statement of Activities
For the Year Ended May 31, 2023

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
General governmental support	\$ 2,185,243	\$ -	\$ -	\$ -	\$ (2,185,243)
Public safety	7,469,183	433,932	21,956	-	(7,013,295)
Health	15,000	60,211	-	-	45,211
Transportation	3,303,192	192,380	5,948	2,319,352	(785,512)
Culture and recreation	718,730	74,063	-	-	(644,667)
Home and community services	4,760,725	6,387,961	135,679	389,634	2,152,549
Interest	323,722	-	-	-	(323,722)
Total governmental activities	<u>\$ 18,775,795</u>	<u>\$ 7,148,547</u>	<u>\$ 163,583</u>	<u>\$ 2,708,986</u>	<u>(8,754,679)</u>
GENERAL REVENUES					
Real property taxes					12,123,299
Other tax items					257,292
Non-property taxes					402,961
Unrestricted use of money and property					485,148
Sale of property and compensation for loss					205,737
Sales tax distribution from county					711,646
Unrestricted State aid					440,730
Miscellaneous revenue					<u>198,691</u>
Total general revenues					<u>14,825,504</u>
Change in net position					<u>6,070,825</u>
Net position - beginning					(33,138,454)
Net position - ending					<u>\$ (27,067,629)</u>

See notes to financial statements.

VILLAGE OF SUFFERN

Balance Sheet - Governmental Funds

May 31, 2023

	General	Water	Sewer	Capital Projects
ASSETS				
Cash	\$ 773,355	\$ 510,047	\$ 43,245	\$ 824,079
Restricted cash	127,446	-	-	-
Investments - unrestricted	9,515,211	2,239,295	-	586,356
Investments - restricted	1,939,133	-	-	-
Receivables				
Accounts, net	99,832	-	-	-
Lease	299,178	-	-	-
Water rents	-	466,553	-	-
Sewer rents	-	-	713,065	-
Due from other funds	1,030,148	-	1,912,600	30,374
State and Federal government	181,292	-	-	-
Advances to other funds	1,900,000	-	-	-
Due from other governments	196,815	-	-	-
Deposits	15,000	-	-	-
Total assets	<u>\$ 16,077,410</u>	<u>\$ 3,215,895</u>	<u>\$ 2,668,910</u>	<u>\$ 1,440,809</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Accounts payable	\$ 211,328	\$ 34,915	\$ 76,309	\$ 748,452
Accrued liabilities	323,876	37,582	15,004	-
Due to other funds	681,793	1,231,397	30,459	1,077,828
Due to other governments	94,593	-	-	-
Advances from other funds	-	-	1,900,000	-
Security deposits	221,760	-	-	-
Bond anticipation notes payable	-	-	-	8,500,048
Due to retirement systems	218,237	16,302	12,249	-
Other liabilities	672,742	-	-	-
Total liabilities	<u>2,424,329</u>	<u>1,320,196</u>	<u>2,034,021</u>	<u>10,326,328</u>
Deferred inflows of resources - cell tower lease	<u>295,472</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance				
Nonspendable				
Advance to sewer fund	1,900,000	-	-	-
Restricted				
Law enforcement	10,561	-	-	-
DARE	30,244	-	-	-
Fire service awards program	1,681,109	-	-	-
Compensated absences	352,887	-	-	-
Debt service	-	-	-	-
Committed				
Suffern Day	59	-	-	-
9/11 Memorial	8,293	-	-	-
Assigned	216,296	1,895,699	634,889	-
Unassigned	9,158,160	-	-	(8,885,519)
Total fund balance	<u>13,357,609</u>	<u>1,895,699</u>	<u>634,889</u>	<u>(8,885,519)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,077,410</u>	<u>\$ 3,215,895</u>	<u>\$ 2,668,910</u>	<u>\$ 1,440,809</u>

See notes to financial statements.

Non-Major Debt Service Fund	Total Governmental Funds
\$ -	\$ 2,150,726
612,886	740,332
-	12,340,862
-	1,939,133
-	99,832
-	299,178
-	466,553
-	713,065
48,355	3,021,477
-	181,292
-	1,900,000
-	196,815
-	15,000
<u>\$ 661,241</u>	<u>\$ 24,064,265</u>

\$ -	\$ 1,071,004
-	376,462
-	3,021,477
-	94,593
-	1,900,000
-	221,760
-	8,500,048
-	246,788
-	672,742
-	16,104,874
-	295,472
-	1,900,000
-	10,561
-	30,244
-	1,681,109
-	352,887
661,241	661,241
-	59
-	8,293
-	2,746,884
-	272,641
<u>661,241</u>	<u>7,663,919</u>
<u>\$ 661,241</u>	<u>\$ 24,064,265</u>

VILLAGE OF SUFFERN
Reconciliation of Governmental Funds Balance Sheet
To the Government-Wide Statement of Net Position
May 31, 2023

Fund balances - total governmental funds	<u>\$ 7,663,919</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>30,565,222</u>
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Pension and other post-employment assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	<u>8,667,727</u>
--	------------------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued interest payable	(59,641)
Bonds payable	(7,255,000)
Bond premium payable	(180,094)
Installment purchase debt payable	(298,401)
Fire service awards program payable	(2,937,672)
Retirement incentives and other pension obligations	(58,210)
Compensated absences	(1,176,291)
Net pension liability	(7,052,085)
Net other post employment benefit liability	<u>(42,231,506)</u>
	<u>(61,248,900)</u>

Deferred inflows of resources for pensions and other post-employment benefits are not recorded in the governmental funds	<u>(12,715,597)</u>
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Net position of governmental activities	<u>\$ (27,067,629)</u>
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See notes to financial statements.

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VILLAGE OF SUFFERN

Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended May 31, 2023

	General	Water	Sewer	Capital Projects
REVENUES				
Real property taxes	\$ 12,123,299	\$ -	\$ -	\$ -
Other tax items	257,292	-	-	-
Non-property taxes	402,961	-	-	-
Departmental income	2,029,990	1,976,420	2,525,559	-
Use of money and property	427,520	54,174	111	-
Licenses and permits	305,007	-	-	-
Fines and forfeitures	311,571	-	-	-
Sale of property and compensation for loss	205,737	-	-	-
Sales tax distribution from County	711,646	-	-	-
BANs redeemed from appropriations	-	-	-	33,000
Miscellaneous revenue	182,545	222	15,924	-
State aid	468,634	-	-	389,634
Federal aid	135,679	-	-	2,319,352
Total revenues	<u>17,561,881</u>	<u>2,030,816</u>	<u>2,541,594</u>	<u>2,741,986</u>
EXPENDITURES				
Current				
General government support	1,295,162	-	-	-
Public safety	4,812,370	-	-	-
Health	15,000	-	-	-
Transportation	1,365,269	-	-	-
Culture and recreation	435,824	-	-	-
Home and community services	1,111,706	1,324,791	1,405,679	-
Employee benefits	4,414,718	479,031	311,014	-
Debt service				
Principal	68,945	-	33,000	-
Interest	14,540	-	4,411	-
Capital outlay	28,858	-	-	7,834,197
Total expenditures	<u>13,562,392</u>	<u>1,803,822</u>	<u>1,754,104</u>	<u>7,834,197</u>
Excess (deficiency) of revenues over expenditures	<u>3,999,489</u>	<u>226,994</u>	<u>787,490</u>	<u>(5,092,211)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from serial bonds	-	-	-	-
Transfers in	59,219	-	3,000	877,677
Transfers out	(1,986,998)	(63,857)	(622,833)	(275,853)
Total other financing sources (uses)	<u>(1,927,779)</u>	<u>(63,857)</u>	<u>(619,833)</u>	<u>601,824</u>
Net change in fund balances	2,071,710	163,137	167,657	(4,490,387)
Fund balances (deficits) - beginning	11,285,899	1,732,562	467,232	(4,395,132)
Fund balances (deficits) - ending	<u>\$ 13,357,609</u>	<u>\$ 1,895,699</u>	<u>\$ 634,889</u>	<u>\$ (8,885,519)</u>

See notes to financial statements.

Non-Major Debt Service Fund	Total Governmental Funds
\$ -	\$ 12,123,299
-	257,292
-	402,961
-	6,531,969
3,343	485,148
-	305,007
-	311,571
-	205,737
-	711,646
-	33,000
-	198,691
-	858,268
-	2,455,031
<u>3,343</u>	<u>24,879,620</u>
-	1,295,162
-	4,812,370
-	15,000
-	1,365,269
-	435,824
-	3,842,176
-	5,204,763
1,035,000	1,136,945
351,878	370,829
-	7,863,055
<u>1,386,878</u>	<u>26,341,393</u>
<u>(1,383,535)</u>	<u>(1,461,773)</u>
-	-
2,009,645	2,949,541
-	(2,949,541)
<u>2,009,645</u>	<u>-</u>
626,110	(1,461,773)
35,131	9,125,692
<u>\$ 661,241</u>	<u>\$ 7,663,919</u>

VILLAGE OF SUFFERN
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of Governmental Funds
To the Statement of Activities
For the Year Ended May 31, 2023

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

Net change in fund balances - total governmental funds	\$ <u>(1,461,773)</u>
--	-----------------------

Long-term pension assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.	<u>(1,229,006)</u>
---	--------------------

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	7,863,055
Depreciation expense	<u>(1,076,062)</u>
	<u>6,786,993</u>

Amortization of bond premium is not reported in the governmental funds	<u>42,435</u>
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Repayment of bond anticipation notes principal paid by other governmental funds is reported as a revenue in the capital projects fund	<u>(33,000)</u>
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	<u>1,136,945</u>
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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	47,107
Compensated absences	86,424
Retirement incentives	76,714
Fire service awards program	987,828
Pension liabilities	(7,488,321)
Other post employment benefit obligations payable	<u>(294,253)</u>
	<u>(6,584,501)</u>

Deferred inflows of resources related to pensions and other post-employment benefits are not reported in governmental funds.	<u>7,412,732</u>
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Change in net position of governmental activities	<u>\$ 6,070,825</u>
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See notes to financial statements.

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VILLAGE OF SUFFERN

General Fund and Major Special Revenue Funds

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended May 31, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 12,085,929	\$ 12,085,929	\$ 12,123,299	\$ 37,370
Other tax items	254,006	254,006	257,292	3,286
Non-property taxes	390,000	390,000	402,961	12,961
Departmental income	1,823,076	1,826,076	2,029,990	203,914
Use of money and property	60,956	60,956	427,520	366,564
Licenses and permits	62,000	82,000	305,007	223,007
Fines and forfeitures	201,000	201,000	311,571	110,571
Sale of property and compensation for loss	18,000	70,000	205,737	135,737
Sales tax distribution from County	600,000	600,000	711,646	111,646
Miscellaneous revenue	357,416	89,348	182,545	93,197
State aid	266,755	380,872	468,634	87,762
Federal Aid	-	-	135,679	135,679
Total Revenues	<u>16,119,138</u>	<u>16,040,187</u>	<u>17,561,881</u>	<u>1,521,694</u>
EXPENDITURES				
Current				
General government support	1,877,593	1,976,899	1,295,162	681,737
Public safety	4,937,094	5,071,181	4,841,228	229,953
Health	14,400	14,400	15,000	(600)
Transportation	1,797,181	1,833,789	1,365,269	468,520
Culture and recreation	389,548	427,896	435,824	(7,928)
Home and community services	1,194,428	1,212,261	1,111,706	100,555
Employee benefits	5,072,717	4,878,717	4,414,718	463,999
Debt service				
Principal	68,947	68,947	68,945	2
Interest	14,541	14,541	14,540	1
Total expenditures	<u>15,366,449</u>	<u>15,498,631</u>	<u>13,562,392</u>	<u>1,936,239</u>
Excess (deficiency) of revenues over expenditures	752,689	541,556	3,999,489	3,457,933
OTHER FINANCING SOURCES (USES)				
Transfers in	-	59,219	59,219	-
Transfers out	(752,689)	(1,983,999)	(1,986,998)	(2,999)
Total other financing sources (uses)	<u>(752,689)</u>	<u>(1,924,780)</u>	<u>(1,927,779)</u>	<u>(2,999)</u>
Net change in fund balances	-	(1,383,224)	2,071,710	3,454,934
Fund balances (deficits) - beginning	-	1,383,224	11,285,899	9,902,675
Fund balances (deficits) - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,357,609</u>	<u>\$ 13,357,609</u>

See notes to financial statements.

Water Fund				Sewer Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,164,655	2,164,655	1,976,420	(188,235)	2,846,110	2,846,110	2,525,559	(320,551)
-	-	54,174	54,174	-	-	111	111
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,500	-	222	222	5,500	-	15,924	15,924
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,174,155</u>	<u>2,164,655</u>	<u>2,030,816</u>	<u>(133,839)</u>	<u>2,851,610</u>	<u>2,846,110</u>	<u>2,541,594</u>	<u>(304,516)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,590,853	1,608,908	1,324,791	284,117	1,777,865	1,814,845	1,405,679	409,166
519,444	509,944	479,031	30,913	353,987	348,487	311,014	37,473
-	-	-	-	96,921	92,509	33,000	59,509
-	-	-	-	-	4,412	4,411	1
<u>2,110,297</u>	<u>2,118,852</u>	<u>1,803,822</u>	<u>315,030</u>	<u>2,228,773</u>	<u>2,260,253</u>	<u>1,754,104</u>	<u>506,149</u>
63,858	45,803	226,994	181,191	622,837	585,857	787,490	201,633
-	-	-	-	-	-	3,000	(3,000)
<u>(63,858)</u>	<u>(63,858)</u>	<u>(63,857)</u>	<u>(1)</u>	<u>(622,837)</u>	<u>(622,837)</u>	<u>(622,833)</u>	<u>(2,996)</u>
<u>(63,858)</u>	<u>(63,858)</u>	<u>(63,857)</u>	<u>(1)</u>	<u>(622,837)</u>	<u>(622,837)</u>	<u>(619,833)</u>	<u>(5,996)</u>
-	(18,055)	163,137	181,190	-	(36,980)	167,657	195,637
-	18,055	1,732,562	1,714,507	-	36,980	467,232	430,252
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,895,699</u>	<u>\$ 1,895,697</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634,889</u>	<u>\$ 625,889</u>

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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:

1A. FINANCIAL REPORTING ENTITY

The financial reporting entity consists of a) the primary government, which is a) 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 that would be included in the financial statements.

1B. 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)

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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. The Village has no fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

1C. FUND FINANCIAL STATEMENTS

The accounts of the Village are organized and operated based on 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/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following the governmental funds statements, which briefly explains 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 as governmental funds in accordance with generally accepted accounting principles.

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 as follows

General Fund - The General Fund constitutes the primary operating fund of the Village in that it includes all revenues and expenditures not required 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 OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Village are the Water Fund and the Sewer Fund. The Water Fund is used to record the water utility operations of the Village, the costs of which are recovered primarily through water rents billed to customers on a user charge basis. The Sewer Fund is used to record the sanitary sewer utility operations of the Village, the costs of which are recovered primarily through sewer rents billed to customers on a user charge basis.

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 Debt Service Fund is a non-major governmental fund used to account and report financial resources that are restricted, committed, or assigned to expenditures for debt principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

1D. 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 and 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, such as the cash basis (revenues and expenditures/expenses are recorded when cash is received or paid), the accrual basis (revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows), or the modified accrual basis (revenues are recorded when measurable and available and expenditures are recorded when a liability becomes due and payable).

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from grants are recognized 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

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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 is reported as an other financing source.

**1E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
AND NET POSITION OR FUND BALANCES**

Deposits, Investments and Risk Disclosure

Cash and Cash Equivalents - Cash and cash 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 that 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, 2023.

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

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Investments of the volunteer firefighters' local service awards program 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.

The Village participates in the New York Cooperative Liquid Assets Securities System ("NYCLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. NYCLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC") and is subject to all the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of NYCLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. NYCLASS issues separately available audited financial statements with a year end of June 30th. At June 30, 2023, the percentage of fair values to total pool assets by investment type are as follows (Source: NYCLASS Annual Report June 30, 2023):

<u>Asset Category</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	<u>Total</u>
Commercial Paper	0%	73%	0%	65%
Money Market Funds	100%	0%	0%	11%
Repurchase Agreements	0%	21%	0%	18%
U.S. Government Treasury Securities	0%	6%	0%	6%
Total	100%	100%	0%	100%

The maximum final maturity per fixed rate security fully guaranteed by or for which the full credit of the United States Treasury is pledged for payment is 13 months (397 days). The maximum final maturity per floating rate security fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment is two years (762 days). The weighted average maturity to reset cannot exceed 60 days. The weighted average maturity to final cannot exceed 120 days. NYCLASS is rated AAAM by S&P Global Ratings. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high-quality portfolio of investments legally permissible for municipalities and school districts in the State.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Additional information concerning the cooperative may be obtained from NYCLASS, 717 17th Street, Suite 1850, Denver, CO 80202, or www.newyorkclass.org.

Taxes Receivable - Property taxes attach as an enforceable lien on real property as of June 1st and are payable without penalty through July 1. The Village is responsible for the billing and collection of its taxes through November 1 of the tax year, at which time the responsibility for uncollected taxes is transferred to the County of Rockland, New York (County). On or about April 1, the County remits to the Village the balance of all uncollected taxes. The County has the responsibility for conducting in-rem foreclosure proceedings.

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

Due To/From Other Funds - During 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, 2023, 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 that 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 inventory 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 \$10,000 or more and an estimated useful life more than 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

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

initial reporting of these assets through back trending (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 does not significantly add to the value of the asset or materially extend the life of the asset are 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 (Years)</u>
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	20-50

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. Such amounts have been deemed to be measurable but not available pursuant to generally accepted accounting principles.

Deferred Outflows 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 (expenditure/expense) until then.

Deferred Inflows of Resources - 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 then.

The Village has reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations and other post-employment benefits. These amounts

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

are detailed in the discussion of the Village's pension plans and other post-employment benefit obligations 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 expensed 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 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 statements as current and long-term liabilities in the Statement of Net Position. 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.

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 is presented in accordance with the provisions of GASB Codification Sections P20 through P24.

Net Position - Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the Village Board 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 net position, and unrestricted net position.

Fund Balances - 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 (e.g., inventories, prepaid amounts, long-term

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

receivables) or are legally or contractually required to be maintained intact (e.g., the corpus of an endowment).

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 also 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 Board of Trustees removes or changes the purpose by adoption of a resolution.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Trustees or a person or body with delegated authority from the Board of Trustees to assign amounts for a specific intended purpose. On January 5, 2015, the Board of Trustees adopted a resolution establishing a fund balance policy that authorizes the Village 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, assigned and committed would exceed the fund's assets and deferred outflows of resources.

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 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

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned and unassigned.

1F. ENCUMBRANCES

Encumbrance accounting is generally employed as an extension of formal budgetary integration in the General Fund, Water Fund, Sewer Fund, and Capital Projects Fund. Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as a reduction of applicable appropriations. Encumbrances outstanding at year-end that are not already reported as restricted or committed fund balance are reported as assigned fund balance, since they do not constitute expenditures or liabilities.

1G. 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.

1H. 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 December 27, 2023.

1I. CURRENT ACCOUNTING STANDARDS

The Village is compliant with all applicable Governmental Accounting Standards Board (GASB) Statements through Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*.

1J. FUTURE CHANGES IN ACCOUNTING STANDARDS

The following GASB pronouncements become effective after the close of fiscal year ended May 31, 2023:

Statement No. 101, *Compensated Absences*

The objective of Statement 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

required disclosures. The requirements of Statement 101 are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

1K. RECLASSIFICATIONS

When applicable, certain prior year data has been reclassified to conform to the current year's presentation.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2A. BUDGETARY DATA

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

- a) On or before March 20, the budget officer submits to the Village Clerk, who in turn submits to the Board of Trustees, a tentative operating budget for the fiscal year commencing the following June 1. The tentative budget includes the proposed expenditures and the means of financing.
- b) On or before March 31, the Board of Trustees meets to discuss and review the tentative budget.
- c) On or before April 15, the Board of Trustees conducts a public hearing on the tentative budget to obtain public comments.
- d) After the public hearing and on or before May 1, the Board of Trustees meets to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for the 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 Office of the State Comptroller has established the function and object of expenditure level as the legal level of budgetary control. Approval by the Board of Trustees is required for transfers between accounts at the function and object of expenditure level and any budgetary amendments that would increase or decrease the total appropriations or total estimated revenues at the fund level.
- h) Appropriations in the General, Water, Sewer, and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the succeeding fiscal year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.
- i) Budgeted amounts are as originally adopted and as amended by the Board of Trustees. Individual amendments for the current year were not material in relation to the original appropriation that was amended.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

2B. PROPERTY TAX LIMITATION

The Village is permitted by the Constitution of the State of New York (the “Constitutional Tax Limit”) to levy taxes up to 2% of the five-year average full valuation of taxable real estate located within the Village, subject to certain exclusions. In accordance with this definition, the maximum amount of the levy for the 2022-2023 fiscal year was \$22,508,226 which exceeded the actual levy by \$11,295,824.

On June 24, 2011, Chapter 97 of the Laws of 2011 (Tax Levy Limitation Law) went into effect. The Tax Levy Limitation Law applies to all New York State local governments and restricts the amount of real property taxes that may be levied by the Village in a particular year. Following is a summary of certain relevant provisions of the Tax Levy Limitation Law. This summary is not complete, and the full text of the Tax Levy Limitation Law should be read to understand the details and implementation 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: (1) the average of the National Consumer Price Indexes (CPI) 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 CPI for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (2) the average of the CPI 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 these provisions and provide all relevant information to the New York State Comptroller prior to adopting the Village 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 a local law to override the limit by a vote of at least sixty percent of the total voting power of the Village Board of Trustees.

2C. CAPITAL PROJECTS FUND DEFICIT

The deficit in the Capital Projects Fund of \$8.9 million 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 or advances from other funds to finance construction of capital projects are not recognized as a revenue or an other financing source. Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund and recognized as revenue only to the extent that they are

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

3A. DUE FROM/TO OTHER FUNDS

The balances reflected as due from/to other funds at May 31, 2023 were as follows:

Fund	Due From Other Funds	Due To Other Funds
General	\$ 1,030,148	\$ 681,793
Water	-	1,231,397
Sewer	1,912,600	30,459
Capital Projects	30,374	1,077,828
Debt Service	48,355	-
Total	\$ 3,021,477	\$ 3,021,477

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.

3B. ADVANCES FROM/TO OTHER FUNDS

An advance of \$1.9 million from the General Fund to the Sewer Fund was outstanding at May 31, 2023. Advances between funds represent loans that are not expected to be repaid within the subsequent operating cycle. The amount of the advance is offset by nonspendable fund balance in the General Fund.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

3C. CAPITAL ASSETS – CHANGES IN THE VILLAGE'S CAPITAL ASSETS

<u>Class</u>	<u>Balance</u> <u>05/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>05/31/2023</u>
Assets not being depreciated				
Land	\$ 309,995	\$ -	\$ -	\$ 309,995
Construction in progress	<u>6,788,334</u>	<u>6,826,511</u>	<u>1,066</u>	<u>13,613,779</u>
Total capital assets, not being depreciated	<u>7,098,329</u>	<u>6,826,511</u>	<u>1,066</u>	<u>13,923,774</u>
Assets being depreciated:				
Buildings and improvements	11,415,234	-	-	11,415,234
Machinery and equipment	18,000,763	412,386	272,041	18,141,108
Infrastructure	<u>12,293,611</u>	<u>625,226</u>	<u>-</u>	<u>12,918,837</u>
Total assets being depreciated	<u>41,709,608</u>	<u>1,037,612</u>	<u>272,041</u>	<u>42,475,179</u>
Total assets at cost	<u>48,807,937</u>	<u>7,864,123</u>	<u>273,107</u>	<u>56,398,953</u>
Accumulated depreciation:				
Buildings and improvements	8,309,586	239,359	-	8,548,945
Machinery and equipment	14,302,324	443,789	272,041	14,474,072
Infrastructure	<u>2,417,799</u>	<u>392,915</u>	<u>-</u>	<u>2,810,714</u>
Total accumulated depreciation	<u>25,029,709</u>	<u>1,076,063</u>	<u>272,041</u>	<u>25,833,731</u>
Total capital assets, net	<u>\$23,778,228</u>	<u>\$6,788,060</u>	<u>\$ 1,066</u>	<u>\$30,565,222</u>

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

General Government	\$ 25,139
Public Safety	266,317
Transportation	398,688
Culture and Recreation	10,709
Home and Community Services	<u>375,209</u>
Total	<u>\$1,076,062</u>

3D. ACCRUED LIABILITIES

Accrued payroll and employee benefits at May 31, 2023 were \$323,876 for the General Fund; \$37,582 for the Water Fund, and \$15,004 for the Sewer Fund.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

3E. PENSION TRUST – LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

Plan Description

The Village of Suffern established a defined benefit Service Award Program (referred to as a “LOSAP” - Length of Service Award Program - under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 1998, for the active volunteer firefighter members of the Suffern Fire Department. The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The Program provides municipally funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The Village of Suffern is the Sponsor of the Program and the Program administrator.

An eligible Program Participant is defined to be an active volunteer firefighter who is at least 18 years of age and has earned one year of Service Award Program Service Credit. An active volunteer firefighter earns a year of Service Credit for each calendar year after the establishment of the Program in which he or she accumulates 50 points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the Sponsor based on a statutory list of activities and point values. A Participant may also receive Service Credit for five years of active volunteer firefighting service rendered prior to the establishment of the Program.

Participants acquire a non-forfeitable right to be paid a Service Award after earning five years of Service Credit, becoming totally and permanently disabled, dying while an active volunteer or upon attaining the Program’s Entitlement Age while an active volunteer. The Program’s Entitlement Age is age 62 and is the age at which benefits begin to be paid to Participants.

Benefits provided

A Participant’s Service Award benefit is paid as a ten-year certain and continuous monthly payment life annuity. The amount payable each month equals \$20 multiplied by the total number of years of Service Credit earned by the Participant. The maximum number of years of Service Credit a Participant may earn under the Program is 30 years. Currently, there are no other forms of payment of a volunteer’s earned Service Award under the Program.

Except in the case of pre-Entitlement Age death or total and permanent disablement, a Participant’s Service Award will not be paid until he or she attains the Entitlement Age. Volunteers who are active after attaining the Entitlement Age and who may have commenced receiving a Service Award can earn Service Credit and, thereby, increase their Service Award payments. The pre-Entitlement Age death and disability benefit is equal to the actuarial value of the Participant’s earned Service Award at the time of death or disablement. All death and disability benefits are self-insured by the fund. The Program does not provide extra line-of-duty death or disability benefits.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Participants covered by the benefit terms

At the December 31, 2022 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	32
Inactive participants entitled to but not yet receiving benefit payments	22
Active participants	91
Total	<u>145</u>

Contributions

New York State General Municipal Law §219(d) requires the Village to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village.

Trust Assets

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*.

Measurement of Total Pension Liability

The total pension liability at the December 31, 2022 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	None assumed

Mortality rates were based on the RP-2014 Male Mortality Table without projection for mortality improvement.

Discount Rate

The discount rate used to measure the total pension liability was 4.31%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2022. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

a rating of at least Aa2 by Moody's Investors Services, AA by Fitch, or AA by Standard & Poor's Rating Services.

Changes in the Total Pension Liability

Balance as of December 31, 2021 measurement date	\$ 3,925,501
Service Cost	129,939
Interest	89,438
Changes of assumptions or other inputs	(1,086,171)
Difference between expected and actual experience	4,305
Benefit payments	(125,340)
Net changes	<u>(987,829)</u>
Balance as of December 31, 2022 measurement date	<u>\$ 2,937,672</u>

Sensitivity of the Total Pension Liability to changes in the discount rate

The following presents the total pension liability of the Village as of the December 31, 2022 measurement date, calculated using the discount rate of 4.31%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.31%) or one percentage point higher (5.31%) than the current rate:

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Total Pension Liability	\$3,397,886	\$2,937,672	\$2,567,821

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended May 31, 2023, the Village recognized pension expense of \$215,229. The components of pension expense were as follows:

Service cost	\$ 129,939
Interest on total pension liability	89,438
Changes of assumptions or other inputs	(21,991)
Difference between expected and actual experience	8,105
Pension plan administrative expenses	9,738
Total pension expense	<u>\$ 215,229</u>

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

At May 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 105,394	\$ 14,491
Changes of assumptions or other inputs	817,628	1,317,589
Benefit payments & administrative expenses subsequent to the measurement date	54,635	-
Total	<u>\$ 977,657</u>	<u>\$1,332,080</u>

Deferred outflows of resources related to pensions resulting from Village transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended May 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>May 31</u>	<u>Expense</u>
2024	\$(13,886)
2025	(13,886)
2026	(13,886)
2027	(13,886)
2028	(13,886)
Thereafter	(339,628)

3F. SHORT-TERM CAPITAL BORROWINGS - BOND ANTICIPATION NOTES

On November 18, 2021, the Village issued a bond anticipation note through the New York State Environmental Facilities Corporation (EFC) to borrow up to \$9,692,079 for capital improvements to the Village's wastewater treatment plant (EFC Project C3-5377-03-00). The note has a maturity date of April 1, 2024 and consists of two components: 1) \$4,846,040 short-term interest-free financing ("STIFF") bearing an interest rate of zero percent per annum, and 2) \$4,846,039 short-term market rate financing ("SMRF") bearing an interest rate of 0.32% per annum. The note operates like a line of credit, where the outstanding principal amount due to the EFC represents the amount borrowed by the Village to finance project costs. Amounts are borrowed first against the STIFF component of the note until the full amount of that component is exhausted, with subsequent borrowings charged to the SMRF component. A bond anticipation note of \$8,500,048 is reported in the Capital Projects Fund balance sheet and in the government-wide Statement of Net Position, representing the outstanding balance of the STIFF component

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

of the note. In fiscal year ended May 31, 2023, a principal payment of \$33,000 and interest expense of \$4,411 was recorded in the Sewer Fund.

3G. LONG-TERM LIABILITIES

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2023:

	Balance 5/31/2022	Additions	Deductions	Balance 5/31/2023	Due in One Year
Bonds Payable					
Capital construction	\$ 5,565,000	\$ -	\$ 590,000	\$ 4,975,000	\$ 340,000
Deficit financing	1,770,000	-	410,000	1,360,000	430,000
NYS EFC	955,000	-	35,000	920,000	35,000
Total Bonds Payable	8,290,000	-	1,035,000	7,255,000	805,000
Other Long-Term Debt					
Accrued interest payable	106,748	59,641	106,748	59,641	59,641
Amortized bond premium	222,529	-	42,435	180,094	42,435
Installment purchase debt	367,346	-	68,945	298,401	37,743
Retirement incentives and other pension obligations	134,924	-	76,714	58,210	58,210
Compensated absences*	1,262,715	-	86,424	1,176,291	1,240
Net pension liability (asset)	(436,236)	7,488,321	-	7,052,085	1,286,296
LOSAP payable	3,925,500	223,683	1,211,511	2,937,672	172,578
OPEB payable	41,937,253	2,282,590	1,988,337	42,231,506	1,834,849
Total Long-Term Debt	\$55,810,779	\$ 10,054,235	\$ 4,616,114	\$ 61,248,900	\$ 4,297,992

* Compensated absences additions/deductions are reported as net additions/deductions.

Each governmental fund's liability for compensated absences, retirement incentives and other pension obligations, net pension liability and other postemployment 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.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Bonds Payable

Bonds payable at May 31, 2023 are comprised of the following individual issues:

Purpose	Date Issued	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding May 31, 2023
Sewer Improvements	11/19/2015	\$ 1,261,000	11/15/2035	3.50%-4.00%	\$ 935,000
Deficit Financing	03/31/2016	3,880,000	03/15/2026	5.00%	1,360,000
EFC Series 2017C	11/09/2017	419,395	08/01/2047	1.03%-3.98%	365,000
Refunding Bonds	02/06/2020	2,935,000	08/15/2031	5.00%	1,655,000
EFC Series 2020B	12/17/2020	630,501	04/01/2040	0.23%-2.405%	555,000
Various Purposes	11/10/2021	2,480,000	11/01/2036	2.00%-5.00%	2,385,000
Total					\$ 7,255,000

Interest expenditure of \$351,878 was recorded in the fund financial statements of the Debt Service Fund for serial bonds. Interest expense of \$323,722 was recorded in the government-wide financial statements for governmental activities.

2016 Deficit Financing

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, 2023, are subject to redemption prior to maturity at the option of the Village.

2021 Bond Refunding

On February 6, 2021, \$2,925,000 general obligation bonds with a true interest cost of 1.2787% ("refunding debt") were issued to advance refund \$3,355,000 of outstanding bonds: \$870,000 of 2007 bonds and \$2,485,000 of 2012 bonds ("refunded debt"), with average interest rates of 4.0626% and 2.75%, respectively. The net proceeds of \$3,389,925 (after payment of \$74,988 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S Treasury securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded debt. On March 9, 2021, the final payment on the refunded debt was made by the escrow agent. As a result, the refunded debt is considered defeased and the liability for those bonds has been removed from the financial statements. The economic gain on the transaction was approximately \$359,816. The reacquisition price exceeded the net carrying amount of the old debt by \$299,294. These amounts are being netted and amortized over the remaining life of the refunding.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Installment Purchase Contracts

On March 12, 2015, the Village entered into a \$557,084 installment purchase contract for the purchase of a fire rescue vehicle and related equipment. The annual payments include interest at 4.033% and mature on December 15, 2029. The balance due at May 31, 2023 was \$298,400.

On August 26, 2019, the Village entered into a \$95,000 installment purchase contract for the purchase of two police vehicles. The annual payments included interest at 3.19% and matured on August 26, 2022.

Interest expenditure of \$14,540 was recorded in the General Fund financial statements. Interest expense of \$19,989 was recorded in the government-wide financial statements for governmental activities.

Retirement Incentives and Other Pension Obligations

Chapter 57 of the Laws of 2010 authorized local governments, at their option, to amortize a portion of their respective ERS and PFRS contributions beginning in 2010. The maximum amortization amount each year is 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 is charged at rates that approximate a market rate of return on taxable fixed rate securities of a comparable duration and is adjusted annually.

The Village elected to amortize the maximum allowable ERS contribution for fiscal years 2012 and 2014, and the maximum allowable PFRS contribution for fiscal years 2013 and 2014. The total amount amortized for ERS and PFRS was \$845,526. Principal and interest payments are charged to the General Fund retirement expenditures.

In the current year, the Village made principal payments totaling \$76,714 and interest payments totaling \$4,814. At May 31, 2023, the outstanding principal balance was \$58,210.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Payments to Maturity

The annual requirements to amortize all outstanding bonds, installment purchase debt and retirement incentives and other pension obligations at May 31, 2023 are as follows:

Fiscal Year Ending	Bonds Payable		Installment Purchase Contracts		Retirement Incentives and Pension Obligations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
May 31								
2024	805,000	273,083	37,742	12,035	58,210	2,136	900,952	287,254
2025	850,000	237,554	39,265	10,512	-	-	889,265	248,066
2026	880,000	198,819	40,848	8,929	-	-	920,848	207,748
2027	425,000	156,984	42,496	7,281	-	-	467,496	164,265
2028	445,000	137,905	44,209	5,568	-	-	489,209	143,473
2029-2033	2,300,000	391,484	93,840	5,714	-	-	2,393,840	397,198
2034-2038	1,295,000	105,176	-	-	-	-	1,295,000	105,176
2039-2043	155,000	30,353	-	-	-	-	155,000	30,353
2044-2048	100,000	9,940	-	-	-	-	100,000	9,940
Total	\$7,255,000	\$1,541,298	\$298,400	\$50,039	\$58,210	\$2,136	\$7,611,610	\$1,593,473

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

Compensated Absences

Pursuant to collective bargaining agreements and employment contracts, 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.

Police department dispatchers and records clerks 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.

Except for 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.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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 sole 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. Requests for additional information should be addressed to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244-0001.

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 2023 applicable to the Village of Suffern were as follows:

ERS	4	A15	12.90%
ERS	5	A15	11.00%
ERS	6	A15	8.10%
PFRS	2	375I	19.60%
PFRS	2	384D	29.00%
PFRS	5	384D*	25.00%
PFRS	5	384D	27.60%
PFRS	6	384D*	20.20%

** Indicates employees are required to make contributions for this PFRS plan/tier*

At May 31 2023, the Village's proportionate share of the net pension liability was as follows:

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

	<u>ERS</u>	<u>PFRS</u>
Measurement date	03/31/2023	03/31/2023
Net pension liability	\$ 2,436,222	\$ 4,615,852
Village's proportionate share of net pension liability/asset	0.0113608%	0.0837651%
Change in proportionate share since prior measurement date	0.0005184%	0.0045312%

The Village's proportionate share of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation paid by the Village to its employees relative to the total of all participating plan members.

For the year ended May 31, 2023, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$886,163 for ERS and \$1,513,739 for PFRS. Pension expenditures of \$537,931 for ERS and \$814,911 for PFRS were recorded in the fund financial statements as follows:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
General	\$362,248	\$ 814,911	\$ 1,177,159
Water	100,432	-	100,432
Sewer	75,251	-	75,251
Total	\$537,931	\$ 814,911	\$ 1,352,842

At May 31, 2023, the Village reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>	<u>PFRS</u>
Deferred Outflows:		
Differences between expected and actual experience	\$ 259,477	\$ 451,153
Changes of assumptions	1,183,187	2,249,293
Net difference between projected and actual investment earnings on pension plan investments	-	8,160
Changes in proportion and differences between employer contributions and proportionate share of contributions	142,695	258,262
Employer contributions subsequent to the measurement date	88,904	157,884
Total Deferred Outflows	\$ 1,674,263	\$ 3,124,752
Deferred Inflows		
Differences between expected and actual experience	\$ 68,418	\$ -
Changes of assumptions	13,076	-
Net difference between projected and actual investment earnings on pension plan investments	14,313	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,411	142,475
Total Deferred Inflows	\$ 135,218	\$ 142,475

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Other amounts reported as deferred outflows and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year		
May 31	<u>ERS</u>	<u>PFRS</u>
2024	\$ 347,690	\$ 569,294
2025	(102,476)	(55,556)
2026	530,449	1,381,829
2027	674,477	848,857
2028	-	79,970
Thereafter	-	-

The total pension liability at March 31, 2023 was determined using a roll forward procedure to advance the liability calculated using system assumptions and member demographics from the actuarial valuation completed as of April 1, 2022.

Economic assumptions used in the April 1, 2022 actuarial valuation include:

	<u>ERS</u>	<u>PFRS</u>
Inflation	2.9%	2.9%
Salary increases	4.4%	6.2%
Investment rate of return, net of investment expense, including inflation	5.9%	5.9%
Cost-of-living adjustments	1.5%	1.5%

To set the long-term expected rate of return on pension plan investments, consideration was given to a building-block method using best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) 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.

Demographic assumptions used in the April 1, 2022 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020.

Demographic assumptions are primarily based on System experience over the period April 1, 2015 – March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2023 are as follows:

Asset Class	Long-term Expected Real Rate of Return
Domestic equity	4.30%
International equity	6.85%
Private equity	7.50%
Real estate	4.60%
Opportunistic/ARS portfolio	5.38%
Credit	5.43%
Real assets	5.84%
Fixed income	1.50%
Cash	0.00%

The real rate of return is net of the long-term inflation assumption of 2.50%.

The discount rate used to calculate the total pension liability was 5.9%. 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. Based upon the 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 Village's current-period net pension liability (asset) calculated using the current period discount rate assumption of 5.9%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (4.9%) or one percentage point higher (6.9%) than the current assumption is as follows:

Village's Proportionate Share of	One Percent Decrease 4.9%	Current Assumption 5.9%	One Percent Increase 6.9%
ERS net pension liability (asset)	\$5,887,305	\$2,436,222	(\$447,558)
PFRS net pension liability (asset)	\$9,621,960	\$4,615,852	\$470,494

The components of the collective net pension liability (asset) as of the March 31, 2023 measurement date were as follows (dollars in thousands):

	ERS	PFRS	Total
Employers' total pension liability	\$ 232,627,259	\$ 43,835,333	\$ 276,462,592
Less: Fiduciary net position	(211,183,223)	(38,324,863)	(249,508,086)
Employers' net pension liability (asset)	<u>\$ 21,444,036</u>	<u>\$ 5,510,470</u>	<u>\$ 26,954,506</u>
Ratio of fiduciary net position to the employers' total pension liability	90.78%	87.43%	90.25%

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

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. Retirement contributions as of May 31, 2023 represent the employer contribution for the period of April 1, 2022 through March 31, 2023 based on paid ERS and PFRS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions to ERS and PFRS as of May 31, 2023 were \$88,904 and \$157,884 respectively.

Voluntary Defined Contribution Plan

The Village also offers the New York State Voluntary Defined Contribution Plan (VDC). All non-union employees who earn \$75,000 or more on an annual basis and are not already a member of the System are eligible to participate in the VDC. Currently, there are no Village employees participating in the VDC.

Other Post Employment Benefit Obligations

Plan Description and Benefits Provided

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 and Village employment contracts stipulate the employees covered and the percentage of contribution. Contributions made by the Village and by the retiree vary according to the aforesaid contractual agreements. Village full-time employees may become eligible for these benefits when they are eligible to retire through the New York State and Local Retirement Systems 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 total OPEB liability of \$42,231,506 was measured as of May 31, 2023 and was determined by an actuarial valuation date of June 1, 2022.

Actuarial Assumptions and Other inputs – The total OPEB liability in the June 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	4.07% average using two 20-year municipal bond indices as of May 31, 2023
Retirement Benefits	Coverage for pre-65 and post-65 retirement benefits
Actuarial Cost Method	Entry age normal as a level percentage of payroll
Salary Increases	N/A
Healthcare Cost Trend Rates	7.0% in year 2022 with decrease of 0.25% per year until 2032; 4.50% in year 2034 and thereafter
Retiree Contribution Rates	Hired prior to March 1, 1997: 0% Hired after March 1, 1997: 14% of premium for single coverage, 12% for family coverage, 50% for surviving spouse coverage.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Employee/retiree counts:

Active employees	64
Retirees	<u>71</u>
Total	<u>135</u>

Changes in the Total OPEB Liability are as follows:

Balance at May 31, 2022	\$41,937,253
<u>Changes For The Year</u>	
Service Cost	611,398
Interest	1,671,192
Changes in assumptions	(236,280)
Benefit payments	(1,752,057)
Contributions from employees	-
Net Changes	<u>294,253</u>
Balance at May 31, 2023	<u>\$42,231,506</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount (Interest) Rate

The following table presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount (interest) rate that is one percentage point lower (3.07%) or one percentage point higher (5.07%) than the current discount rate:

	<u>Percent Decrease</u>	<u>Valuation Discount Rate</u>	<u>Percent Increase</u>
Discount Rate	3.07%	4.07%	5.07%
Total OPEB Liability	\$48,973,777	\$42,231,506	\$36,864,906

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current trend rate:

	<u>Health Care Trend Rate Less 1%</u>	<u>Current Health Care Trend Rate</u>	<u>Health Care Trend Rate Plus 1%</u>
Total OPEB Liability	\$36,364,252	\$42,231,506	\$48,710,033

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended May 31, 2023, the Village recognized OPEB expense of \$1,084,766 and reported deferred inflows of resources of \$236,280. The \$236,280 reflects a decrease in the deferred inflows of resources reported in the prior year, due to a change in the discount (interest) rate assumption from 3.51% to 4.07% (which decreased the liability) and unfavorable health insurance premium rate increases (which increased the liability).

3H. 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 Village recorded the following interfund transfers in the governmental funds for fiscal year ended May 31, 2023:

Fund	Transfers In	Transfers Out
General Fund	\$ 59,219	\$ 1,986,998
Water Fund	-	63,857
Sewer Fund	3,000	622,833
Capital Projects Fund	877,677	275,853
Debt Service Fund	2,009,645	-
Total	<u>\$ 2,949,541</u>	<u>\$ 2,949,541</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.

3I. NET POSITION

The components of net position are detailed below:

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

Restricted net position – the component of net position that reports amounts where constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

governments, or imposed by law through constitutional provisions or enabling legislation. The Village reports the following restrictions on net position:

Restricted for Debt Service - the component of net position that reports the difference between assets and deferred outflows, and liabilities and deferred inflows, with constraints placed on their use by New York State 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 and Resistance Education (DARE) program.

Restricted for Fire Service Awards Program - the component of net position that has been established to record the net position related to the Village's Length of Service Awards Program for its volunteer firefighters.

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

3J. FUND BALANCES

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The *nonspendable* fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The advance from the General Fund to the Sewer Fund is not in spendable form because the advance is not expected to be repaid in sufficient time to satisfy liabilities of the current year.

The *restricted* fund balance classification has the same constraints as restricted net position, and the restricted components of fund balance in the governmental funds are the same as those for net position (debt service, law enforcement and DARE).

The *unrestricted* fund balance classification includes three sub-classifications: 1) committed, 2) assigned and 3) unassigned fund balance.

The *committed* fund balance classification can only be used for specific purposes pursuant to constraints imposed by local law or resolution of the Village Board prior to the end of the fiscal year, and such commitment can only be removed by a local law or resolution of the Village Board. The committed fund balances for Suffern

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Day and 9/11 Memorial represent the balances of donations received and not yet spent by the Village for those purposes.

The *assigned* fund balance classification is used to report amounts that are constrained by the Village Board and/or the Village Treasurer for specific purposes but are neither restricted nor committed. The assigned fund balance in the General Fund represents purchases on order. The assigned fund balance in the Water Fund and Sewer Fund represents the fund's assets and deferred outflows, less the fund's liabilities and deferred inflows.

Unassigned fund balance is the residual classification for the general fund. Other governmental funds (Water, Sewer, Debt Service and Capital Projects Funds) can only report a negative unassigned (deficit) fund balance. The negative unassigned fund balance in the Capital Projects Fund represents expenditures of projects that will be financed in the future by general revenues, debt, or grants.

Purchases on order (encumbrances) are recorded as restricted, committed, or assigned fund balance and represent the Village's intention to honor contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

3K. TAX ABATEMENTS

The Village currently has tax abatement agreements with two entities. Copies of the agreements may be obtained from Michael A. Genito, Village Treasurer, Village of Suffern, 61 Washington Avenue, Suffern, NY 10901, treasurer@suffernny.gov, 845-357-2600.

On September 12, 2003, the Village of Suffern, together with the Rockland County Industrial Development Agency, the County of Rockland, the Town of Ramapo, and the Suffern Central School District, entered into a tax abatement agreement with Avon Capital Corporation and Avon Products Inc. (Avon). Authorization to enter into the agreement is provided by the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law of the State of New York, Chapter 24 of the Consolidated Laws of the State of New York, and Chapter 564 of the 1980 Laws of New York. In accordance with the agreement, Avon constructed and staffed a research and development facility in the Village of Suffern to advance job opportunities and economic growth in the Village and surrounding area. In return, the County, Town, Village and School District agreed to accept a payment in lieu of taxes (PILOT) for a period of 21 years, pursuant to a payment schedule provided for in the agreement. Payments to the Village began with the Village's fiscal year ended May 31, 2005, and end with the Village's fiscal year ending May 31, 2025. There are no other commitments on the part of the Village as regards the agreement. In the event of a default or early termination of the agreement, Avon is required to pay a percentage, pursuant to a schedule provided in the agreement, of the real property taxes that would have been paid, less the PILOTs paid.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

On December 31, 2015, the Village of Suffern entered into a tax abatement agreement with Orange Avenue Apartments LLC. Authorization to enter into the agreement is provided by Article V of the Private Housing Finance Law of the State of New York. In accordance with the agreement, Orange Avenue Apartments LLC demolished buildings and remediated a brownfield in a blighted area of the Village and developed a transit-oriented 92-unit residential complex on the site. The development improves the economic viability of the Village and provides alternative housing for individuals who work in nearby New York City but find the city housing to be unaffordable. In return, the Village agreed to accept a PILOT for a period of 35 years from the date that a permanent certificate of occupancy was issued and pursuant to a payment schedule provided for in the agreement. Payments to the Village began with the Village's fiscal year ended May 31, 2016. A permanent certificate of occupancy was issued August 22, 2019, so the PILOT end date will be August 22, 2054. There are no other commitments on the part of the Village as regards the agreement. In the event of a default or early termination of the agreement by Orange Avenue Apartments LLC, the Village is authorized to enforce and collect payments representing the real property taxes that would have been paid, less the PILOTs paid, in the same manner as provided for in Real Property Tax Law, which includes foreclosure.

Information as to the real property taxes abated in fiscal year ended May 31, 2023 as a result of the two PILOT agreements currently in place is as follows:

PILOT	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated	
Avon	\$6,811,800	\$91.09	\$ 620,487	\$171,437	\$449,050	72.4%
Orange Ave Apts	2,860,000	91.09	260,517	42,569	217,948	83.7%
Total	<u>\$ 9,671,800</u>		<u>\$ 881,004</u>	<u>\$214,006</u>	<u>\$666,998</u>	

3L. Leases

On May 1, 2005, the Village, as Lessor, entered into a lease with SBA Communications Corporation ("SBA"), as Lessee, for the use of a cell tower constructed and to be used by SBA on Village-owned property. At the inception of the lease, the cell tower had an estimated useful life of 25 years. The lease provides for an initial five-year term, and at the sole option of SBA, four additional five-year terms. SBA is required to make monthly fixed payments, initially in the amount of \$2,100 beginning May 2005, increasing three percent in May of each year thereafter. The lease carries an interest rate of 2.335%.

In fiscal year ended 05/31/2023, the Village recorded an initial lease receivable in the amount of \$334,160 and lease revenue of \$42,210. As of 05/31/2023, the value of the lease receivable was \$299,178; the value of the deferred inflow of resources was \$291,951, and there was one five-year extension option remaining, that if exercised by the SBA, would begin May 1, 2025.

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

NOTE 4 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

4A. 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.

4B. FEDERAL GRANT PROGRAMS

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 amounts of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

The Schedule of Expenditures of Federal Awards, found in a separate section of this report, provides details on the Federal grant programs applicable to the Village in fiscal year ended May 31, 2023.

4C. RISK MANAGEMENT

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains New York State statutory limits for workers' compensation insurance, and general and automobile liability insurance of \$1 million per occurrence and \$3 million in the aggregate. The Village also maintains cybersecurity insurance of \$1 million per occurrence and \$1 million in the aggregate. The Village purchases conventional medical insurance coverage.

NOTE 5 - SUBSEQUENT EVENTS

In July 2023, the Village was notified by the Town of Ramapo via a letter dated June 29, 2023, that on April 20, 2023, Avon Capital Corporation ("Avon") terminated its payment in lieu of taxes ("PILOT") agreement with the County of Rockland Industrial Development

VILLAGE OF SUFFERN, NEW YORK
Notes to Financial Statements
For the Fiscal Year Ended May 31, 2023

Agency ("IDA"). Included with the letter was a check made payable to the Village in the amount of \$358,434, representing the PILOT amount of \$176,529 that would have been paid for fiscal year ending May 31, 2024, and the PILOT amount of \$181,905 that would have been paid for fiscal year ending May 31, 2025. Effective April 20, 2023, the Avon the taxable value of the Avon property was placed back on the Village's real property tax roll. On or about December 1, 2023, Regeneron Pharmaceuticals Inc. ("Regeneron") purchased the property formerly owned and occupied by Avon for \$39 million, which essentially established the market value of the property and the taxable assessed value as adjusted for the equalization rate.

On June 5, 2023, the Village and the PBA (representing full-time police officers other than the police chief and lieutenants) agreed to a collective bargaining agreement beginning retroactively from June 1, 2021, and ending May 31, 2025.

On July 17, 2023, the Village and Teamsters Local 445 (representing police records clerks and dispatchers) agreed to a collective bargaining agreement beginning June 1, 2023, and ending May 31, 2028.

The Village Board authorized the issuance of debt for the following purposes subsequent to the fiscal year ended date of May 31, 2023:

- July 17, 2023 - \$2.1 million for the construction of a water well
- July 17, 2023 - \$2.3 million for water system improvements
- July 17, 2023 - \$950,000 for water system emergency power generators
- August 7, 2023 - \$500,000 for road improvements

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF SUFFERN
Required Supplementary Information

Schedule of Changes in the Village's
Other Post Employment Benefits Plan and Related Ratios
Last Three Fiscal Years

Measurement date	<u>05/31/2023</u>	<u>05/31/2022</u>	<u>05/31/2021</u>
TOTAL OPEB LIABILITY			
Service cost	\$ 611,398	\$ 561,130	\$ 841,946
Interest	1,671,192	1,850,131	1,145,409
Changes in benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total OPEB liability	-	-	-
Changes of assumptions	(236,280)	(12,452,194)	(2,606,959)
Benefit payments	<u>(1,752,057)</u>	<u>(1,464,181)</u>	<u>(1,484,529)</u>
Net change in total OPEB liability	294,253	(11,505,114)	(2,104,133)
Total OPEB liability - beginning	41,937,253	53,442,367	55,546,500
Total OPEB liability - ending	<u>\$ 42,231,506</u>	<u>\$ 41,937,253</u>	<u>\$ 53,442,367</u>
Covered payroll	\$ 5,645,006	\$ 5,958,506	\$ 5,958,506
Total OPEB liability as a % of covered payroll	748.12%	703.82%	896.91%

Schedule of Changes in the Village's
Total Pension Liability - Fire Service Awards Program
Last Three Fiscal Years

Measurement date	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
TOTAL PENSION LIABILITY			
Service cost	\$ 129,940	\$ 139,190	\$ 92,446
Interest	89,438	78,325	101,773
Changes of benefit terms	-	-	-
Changes of assumptions or other inputs	(1,086,171)	(205,483)	760,522
Differences between expected and actual experience	4,305	53,113	50,317
Benefit payments	<u>(125,340)</u>	<u>(117,520)</u>	<u>(113,200)</u>
Net change in total pension liability	(987,828)	(52,375)	891,858
Total pension liability - beginning	3,925,500	3,977,875	3,086,017
Total pension liability - ending	<u>\$ 2,937,672</u>	<u>\$ 3,925,500</u>	<u>\$ 3,977,875</u>
Covered payroll	N/A	N/A	N/A
Total pension liability as a % of covered payroll	N/A	N/A	N/A

Notes to Required Supplementary Information

Changes of assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

December 31, 2020	1.93%
December 31, 2021	2.24%
December 31, 2022	4.31%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

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VILLAGE OF SUFFERN

Required Supplementary Information
Schedule of the Proportionate Share of the
Net Pension Liability and Contributions
Last Eight Fiscal Years

	<u>2023</u>	<u>2022</u>
<u>Employees Retirement System</u>		
Proportion of the net pension liability	0.0113608%	0.0108424%
Proportionate share of the net pension liability (asset)	\$ 2,436,222	\$ (886,320)
Covered payroll June 1 - May 31	\$ 3,528,298	\$ 3,310,504
Net pension liability (asset) as percentage of covered payroll	69.05%	(26.77)%
Fiduciary net position as percentage of total pension liability	90.78%	103.65%
Contractually required contribution	\$ 532,250	\$ 579,669
Contributions made	<u>(532,250)</u>	<u>(579,669)</u>
(Excess) deficiency of contributions	<u>\$ -</u>	<u>\$ -</u>
Contributions as percentage of covered payroll	15.09%	17.51%
<u>Police and Fire Retirement System</u>		
Proportion of the net pension liability	0.0837651%	0.0792339%
Proportionate share of the net pension liability	\$ 4,615,852	\$ 450,084
Covered payroll June 1 - May 31	\$ 3,258,408	\$ 3,805,668
Net pension liability as percentage of covered payroll	141.66%	11.83%
Fiduciary net position as percentage of total pension liability	87.43%	98.66%
Contractually required contribution	\$ 830,791	\$ 1,047,249
Contributions made	<u>(830,791)</u>	<u>(1,047,249)</u>
(Excess) deficiency of contributions	<u>\$ -</u>	<u>\$ -</u>
Contributions as percentage of covered payroll	25.50%	27.52%

Amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. Data not available prior to fiscal year 2016 implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

2021	2020	2019	2018	2017	2016
0.0102507%	0.0109849%	0.0114928%	0.0121370%	0.0116346%	0.0126191%
\$ 10,207	\$ 2,908,870	\$ 814,303	\$ 391,716	\$ 1,093,208	\$ 2,025,395
\$ 3,346,456	\$ 3,333,866	\$ 3,548,588	\$ 3,711,867	\$ 3,463,920	\$ 3,470,246
0.31%	87.25%	22.95%	10.55%	31.56%	58.36%
99.95%	86.39%	96.30%	98.20%	94.70%	90.70%
\$ 522,498	\$ 470,320	\$ 507,856	\$ 546,504	\$ 516,606	\$ 599,702
(522,498)	(470,320)	(507,856)	(546,504)	(516,606)	(599,702)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15.61%	14.11%	14.31%	14.72%	14.91%	17.28%
0.0828919%	0.0837308%	0.0707175%	0.0698059%	0.0754608%	0.0763461%
\$ 1,439,233	\$ 4,475,360	\$ 1,185,976	\$ 705,568	\$ 1,564,039	\$ 2,260,447
\$ 3,832,042	\$ 3,577,415	\$ 3,031,428	\$ 3,358,171	\$ 3,265,551	\$ 2,835,592
37.56%	125.10%	39.12%	21.01%	47.90%	79.72%
95.79%	84.86%	95.10%	96.90%	93.50%	90.20%
\$ 908,661	\$ 774,833	\$ 661,464	\$ 761,081	\$ 733,265	\$ 455,277
(908,661)	(774,833)	(661,464)	(761,081)	(733,265)	(455,277)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23.71%	21.66%	21.82%	22.66%	22.45%	16.06%

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OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF SUFFERN
General Fund
Comparative Balance Sheet
May 31, 2023 and 2022

	2023	2022
ASSETS		
Cash	\$ 773,355	\$ 1,915,164
Restricted cash	127,446	96,213
Investments - unrestricted	9,515,211	5,510,400
Investments - restricted	1,939,133	2,215,999
Receivables		
Accounts, net	99,832	91,369
Lease	299,178	-
State and federal government	181,292	788,392
Due from other funds	1,030,148	936,370
Advances to other funds	1,900,000	1,900,000
Due from other governments	196,815	186,312
Deposits	15,000	15,000
Total assets	<u>\$ 16,077,410</u>	<u>\$ 13,655,219</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 211,328	\$ 204,085
Accrued liabilities	323,876	304,192
Due to other funds	681,793	517,587
Due to other governments	94,593	94,379
Security deposits	221,760	218,502
Due to retirement systems	218,237	233,190
Other liabilities	672,742	797,385
Total liabilities	<u>2,424,329</u>	<u>2,369,320</u>
Deferred Inflows of Resources - Cell Tower Lease	<u>295,472</u>	<u>-</u>
Fund balance		
Nonspendable		
Advance to sewer fund	1,900,000	1,900,000
Restricted		
Law enforcement	10,561	10,419
DARE	30,244	82,479
Fire service awards program	1,681,109	1,752,666
Compensated absences	352,887	463,332
Committed		
Suffern Day	59	3,615
9/11 Memorial	8,293	8,293
Assigned	216,296	211,133
Unassigned	9,158,160	6,853,962
Total fund balance	<u>13,357,609</u>	<u>11,285,899</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 16,077,410</u>	<u>\$ 13,655,219</u>

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VILLAGE OF SUFFERN

General Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Real property taxes	\$ 12,085,929	\$ 12,085,929	\$ 12,123,299	\$ 37,370
Other tax items				
Payments in lieu of taxes	214,006	214,006	214,006	-
Interest and penalties on real property taxes	40,000	40,000	43,286	3,286
Total other tax items	254,006	254,006	257,292	3,286
Non-property taxes				
Utilities gross receipts tax	150,000	150,000	188,427	38,427
Franchise fees	240,000	240,000	214,534	(25,466)
Total non-property taxes	390,000	390,000	402,961	12,961
Departmental income				
Fire inspection fees	41,000	41,000	59,894	18,894
Certificate of occupancy search fees	20,000	20,000	36,775	16,775
Public safety fees	-	-	-	-
Vital statistics fees	50,000	50,000	60,211	10,211
Public works services	-	-	17,016	17,016
Parking permits	120,000	120,000	175,364	55,364
Pool fees	40,000	40,000	57,953	17,953
Other culture and recreation fees	13,000	16,000	16,110	110
Zoning fees	2,500	2,500	1,900	(600)
Planning board fees	12,500	12,500	67,520	55,020
Refuse and garbage charges	1,504,076	1,504,076	1,511,555	7,479
Public safety services	20,000	20,000	25,692	5,692
Total departmental income	1,823,076	1,826,076	2,029,990	203,914
Use of money and property				
Earnings/(Losses) on investments	-	-	369,631	369,631
Rental of real property	60,956	60,956	57,889	(3,067)
Filming fees	-	-	-	-
Total use of money and property	60,956	60,956	427,520	366,564
Licenses and permits				
Building permits	50,000	70,000	285,917	215,917
Other permits	12,000	12,000	19,090	7,090
Total licenses and permits	62,000	82,000	305,007	223,007
Fines and forfeitures	201,000	201,000	311,571	110,571
Sale of property and compensation for loss				
Sale of recyclables	3,000	3,000	11,492	8,492
Sale of equipment	-	-	16,666	16,666
Insurance recoveries	15,000	67,000	177,579	110,579
Total sale of property and compensation for loss	18,000	70,000	205,737	135,737
Miscellaneous revenue				
County sales tax distribution	600,000	600,000	711,646	111,646
AIM-related payment	88,416	-	-	-
Refund of prior years' expenditures	-	-	16,243	16,243
Gifts and donations	35,000	49,348	77,075	27,727
Premiums on obligations	-	-	-	-
Other miscellaneous revenues	234,000	40,000	89,227	49,227
Total miscellaneous revenue	957,416	689,348	894,191	204,843
State aid				
Aid & Incentives for Municipalities (AIM)	-	88,416	88,416	-
Mortgage tax	250,000	250,000	313,305	63,305
Public safety	-	-	21,956	21,956
Transportation	16,755	42,456	39,009	(3,447)
Home and community services	-	-	5,948	5,948
Total state aid	266,755	380,872	468,634	87,762
Federal aid	-	-	135,679	135,679
Total revenues	16,119,138	16,040,187	17,561,881	1,521,694

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 12,023,989	\$ 12,023,989	\$ 12,043,119	\$ 19,130
209,197	209,197	209,197	-
20,000	20,000	82,012	62,012
229,197	229,197	291,209	62,012
150,000	150,000	171,080	21,080
250,000	250,000	232,806	(17,194)
400,000	400,000	403,886	3,886
40,000	40,000	44,375	4,375
20,000	20,000	36,820	16,820
20,000	20,000	20,000	-
50,000	50,000	60,977	10,977
-	-	5,235	5,235
75,000	75,000	127,550	52,550
49,000	49,000	39,750	(9,250)
20,000	20,000	6,018	(13,982)
2,500	2,500	1,250	(1,250)
12,500	12,500	130,404	117,904
1,431,357	1,431,357	1,436,416	5,059
-	-	1,515	1,515
1,720,357	1,720,357	1,910,310	189,953
-	-	(101,995)	(101,995)
59,739	59,739	59,740	1
-	-	77,923	77,923
59,739	59,739	35,668	(24,071)
50,000	50,000	248,259	198,259
35,000	35,000	13,195	(21,805)
85,000	85,000	261,454	176,454
181,000	181,000	184,114	3,114
3,000	3,000	13,863	10,863
-	-	36,433	36,433
15,000	15,000	78,733	63,733
18,000	18,000	129,029	111,029
548,000	548,000	737,015	189,015
70,733	70,733	88,416	17,683
-	-	13,814	13,814
35,000	58,150	54,744	(3,406)
-	34,384	38,090	3,706
207,000	207,000	253,982	46,982
860,733	918,267	1,186,061	267,794
-	-	-	-
235,000	235,000	430,227	195,227
-	-	17,231	17,231
16,755	16,755	12,184	(4,571)
-	7,500	625	(6,875)
251,755	259,255	460,267	201,012
-	-	351,029	351,029
15,829,770	15,894,804	17,256,146	1,361,342

VILLAGE OF SUFFERN

General Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
General government				
Board of trustees	53,750	173,750	84,174	89,576
Justice court	239,187	239,187	225,873	13,314
Mayor	29,860	29,860	27,470	2,390
Auditor	38,000	38,000	26,512	11,488
Treasurer	217,608	222,414	153,122	69,292
Assessment	20,063	20,063	13,379	6,684
Municipal financial advisor	4,000	4,000	-	4,000
Clerk	261,676	261,676	234,657	27,019
Attorney	227,299	227,299	83,000	144,299
Shared services	257,150	264,650	184,893	79,757
Unallocated insurance	219,000	223,502	222,544	958
Municipal association dues	5,000	5,000	4,846	154
Judgments and claims	105,000	100,498	34,692	65,806
Contingency	200,000	167,000	-	167,000
Total general government	1,877,593	1,976,899	1,295,162	681,737
Public safety				
Police	4,257,203	4,315,815	4,169,605	146,210
Fire	414,850	470,325	432,155	38,170
Safety inspection	265,041	285,041	239,468	45,573
Total public safety	4,937,094	5,071,181	4,841,228	229,953
Health - registrar of vital statistics	14,400	14,400	15,000	(600)
Transportation				
Street administration	15,120	15,120	8,688	6,432
Street maintenance	1,318,512	1,354,713	1,066,554	288,159
Snow removal	171,500	171,907	76,389	95,518
Street lighting	232,000	232,000	163,014	68,986
Parking	60,049	60,049	50,624	9,425
Total transportation	1,797,181	1,833,789	1,365,269	468,520
Culture and recreation				
Parks and playgrounds	318,317	356,665	367,928	(11,263)
Community center	66,250	66,250	64,311	1,939
Historian	4,981	4,981	3,585	1,396
Total culture and recreation	389,548	427,896	435,824	(7,928)
Home and community service				
Zoning board	6,063	6,063	5,561	502
Planning board	8,116	8,116	6,076	2,040
Refuse and garbage	1,180,249	1,198,082	1,100,069	98,013
Total home and community services	1,194,428	1,212,261	1,111,706	100,555
Employee benefits				
NYS employee retirement system	385,118	385,118	362,248	22,870
NYS police & fire retirement system	1,042,582	1,042,582	814,911	227,671
Firefighter service award program	164,327	164,327	151,039	13,288
Social security and medicare	449,900	449,900	434,976	14,924
MTA commuter tax	19,301	19,301	17,682	1,619
Disability insurance	137	137	115	22
Flexible spending plan fees	1,200	1,200	1,200	-
Workers' compensation insurance	441,100	441,100	394,359	46,741
Life insurance	87,500	87,500	82,677	4,823
Unemployment insurance	20,000	20,000	2,000	18,000
Health insurance	2,355,852	2,161,852	2,068,844	93,008
Dental insurance	105,700	105,700	84,667	21,033
Total employee benefits	5,072,717	4,878,717	4,414,718	463,999
Debt service				

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
51,075	171,222	39,228	131,994
233,018	224,373	215,101	9,272
30,250	30,978	30,346	632
38,000	38,000	25,050	12,950
182,525	234,082	216,161	17,921
14,103	14,155	13,362	793
4,000	4,000	2,250	1,750
225,247	228,114	217,926	10,188
201,570	201,638	106,830	94,808
216,150	259,286	240,518	18,768
178,480	178,480	173,912	4,568
5,000	5,000	4,696	304
85,000	85,000	-	85,000
175,000	82,445	-	82,445
1,639,418	1,756,773	1,285,380	471,393
4,330,537	4,364,713	4,152,636	212,077
335,890	372,457	346,326	26,131
256,518	256,518	230,870	25,648
4,922,945	4,993,688	4,729,832	263,856
9,600	9,680	9,680	-
16,616	16,616	8,690	7,926
1,240,710	1,314,883	1,208,512	106,371
145,500	148,500	89,620	58,880
225,000	203,899	140,055	63,844
46,671	51,856	47,869	3,987
1,674,497.00	1,735,754.00	1,494,746.00	241,008.00
310,363.00	358,440.00	311,921.00	46,519.00
68,250	68,686	65,994	2,692
4,681	4,688	4,000	688
383,294	431,814	381,915	49,899
6,563	6,640	6,288	352
18,116	18,032	6,680	11,352
1,113,092	1,097,451	1,096,218	1,233
1,137,771	1,122,123	1,109,186	12,937
395,299	395,299	395,176	123
1,156,766	1,156,766	1,019,789	136,977
163,717	163,717	148,004	15,713
420,100	420,100	411,799	8,301
19,100	19,100	16,576	2,524
137	137	115	22
1,200	1,200	1,180	20
441,100	441,100	390,403	50,697
66,800	66,800	79,536	(12,736)
20,000	20,000	2,000	18,000
2,300,786	2,300,786	2,131,049	169,737
114,230	114,230	75,721	38,509
5,099,235	5,099,235	4,671,348	427,887

VILLAGE OF SUFFERN

General Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Principal				
Installment purchase debt	68,947	68,947	68,945	2
Total principal	68,947	68,947	68,945	2
Interest				
Bond anticipation notes	-	-	-	-
Installment purchase debt	14,541	14,541	14,540	1
Total interest	14,541	14,541	14,540	1
Total debt service	83,488	83,488	83,485	3
Total expenditures	15,366,449	15,498,631	13,562,392	1,936,239
Excess of revenues over expenditures	752,689	541,556	3,999,489	3,457,933
OTHER FINANCING SOURCES (USES)				
Transfer in - capital projects fund	-	59,219	59,219	-
Transfer out - sewer fund	-	-	(3,000)	(3,000)
Transfer out - debt service fund	(700,189)	(1,300,189)	(1,300,188)	1
Transfer out - capital projects fund	(52,500)	(683,810)	(683,810)	-
Total other financing sources (uses)	(752,689)	(1,924,780)	(1,927,779)	(2,999)
Net change in fund balance	-	(1,383,224)	2,071,710	3,460,932
Fund balance - beginning	-	1,383,224	11,285,899	9,902,675
Fund balance - ending	\$ -	\$ -	\$ 13,357,609	\$ 13,363,607

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
113,748	113,748	113,747	1
113,748	113,748	113,747	1
10,176	10,176	10,175	1
18,965	18,965	18,963	2
29,141	29,141	29,138	3
142,889	142,889	142,885	4
15,009,649	15,291,956	13,824,972	1,466,984
820,121	602,848	3,431,174	2,828,326
-	161,828	161,828	-
-	-	-	-
(523,821)	(523,821)	(523,819)	2
(296,300)	(945,896)	(945,896)	-
(820,121)	(1,307,889)	(1,307,887)	2
-	(705,041)	2,123,287	2,828,328
-	705,041	9,162,612	8,457,571
\$ -	\$ -	\$ 11,285,899	\$ 11,285,899

VILLAGE OF SUFFERN
Water Fund
Comparative Balance Sheet
May 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 510,047	\$ 351,765
Investments	2,239,295	1,865,121
Water rents receivable	466,553	577,876
Due from other funds	-	50,000
Total assets	<u>\$ 3,215,895</u>	<u>\$ 2,844,762</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 34,915	\$ 42,293
Accrued liabilities	37,582	34,224
Due to other funds	1,231,397	1,022,215
Due to retirement systems	16,302	13,468
Total liabilities	<u>1,320,196</u>	<u>1,112,200</u>
 Fund balance	<u>1,895,699</u>	<u>1,732,562</u>
 Total liabilities and fund balance	<u>\$ 3,215,895</u>	<u>\$ 2,844,762</u>

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VILLAGE OF SUFFERN

Water Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income				
Metered water sales	\$ 2,142,155	\$ 2,142,155	\$ 1,931,578	\$ (210,577)
Water service charges	2,500	2,500	2,500	-
Interest and penalties on water rents	20,000	20,000	42,342	22,342
Total departmental income	2,164,655	2,164,655	1,976,420	(188,235)
Interest and earnings	-	-	54,174	54,174
Miscellaneous revenue	9,500	-	222	222
Total revenues	2,174,155	2,164,655	2,030,816	(133,839)
EXPENDITURES				
Home and community services				
Water administration	404,363	404,363	341,701	62,662
Source of supply, power and pumping	875,490	1,037,255	870,769	166,486
Transmission and distribution	111,000	111,000	112,321	(1,321)
Contingency	200,000	56,290	-	56,290
Total home and community services	1,590,853	1,608,908	1,324,791	284,117
Employee benefits				
NYS employees retirement system	104,027	104,027	100,432	3,595
Social security and medicare	56,200	61,300	61,455	(155)
MTA commuter tax	2,412	2,412	2,223	189
Workers compensation insurance	36,200	36,200	30,788	5,412
Health and dental insurance	317,505	302,905	281,289	21,616
Life insurance	3,100	3,100	2,844	256
Total employee benefits	519,444	509,944	479,031	30,913
Total expenditures	2,110,297	2,118,852	1,803,822	315,030
Excess (deficiency) of revenues over expenditures	63,858	45,803	226,994	181,191
OTHER FINANCING SOURCES (USES)				
Transfer in - Capital Projects Fund	-	-	-	-
Transfer out - Debt Service Fund	(63,858)	(63,858)	(63,857)	(1)
Transfer out - Capital Projects Fund	-	-	-	-
Total other financing sources (uses)	(63,858)	(63,858)	(63,857)	(1)
Net change in fund balance	-	(18,055)	163,137	181,190
Fund balance (deficit) - beginning	-	18,055	1,732,562	1,714,507
Fund balance - ending	\$ -	\$ -	\$ 1,895,699	\$ 1,895,697

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,099,718	\$ 2,099,718	\$ 1,877,917	\$ (221,801)
2,500	2,500	6,811	4,311
20,000	20,000	48,186	28,186
<u>2,122,218</u>	<u>2,122,218</u>	<u>1,932,914</u>	<u>(189,304)</u>
-	-	1,177	1,177
9,500	9,500	14,667	5,167
<u>2,131,718</u>	<u>2,131,718</u>	<u>1,948,758</u>	<u>(182,960)</u>
395,842	379,902	315,965	63,937
860,370	970,282	840,228	130,054
107,000	107,000	89,240	17,760
200,000	159,600	-	159,600
<u>1,563,212</u>	<u>1,616,784</u>	<u>1,245,433</u>	<u>371,351</u>
99,564	89,585	97,084	(7,499)
51,900	61,879	61,877	2
2,400	2,400	2,025	375
36,200	36,200	30,809	5,391
305,760	305,760	282,486	23,274
8,200	8,200	2,844	5,356
<u>504,024</u>	<u>504,024</u>	<u>477,125</u>	<u>26,899</u>
<u>2,067,236</u>	<u>2,120,808</u>	<u>1,722,558</u>	<u>398,250</u>
<u>64,482</u>	<u>10,910</u>	<u>226,200</u>	<u>215,290</u>
-	50,000	50,000	-
(64,482)	(64,482)	(64,481)	(1)
-	-	-	-
<u>(64,482)</u>	<u>(14,482)</u>	<u>(14,481)</u>	<u>(1)</u>
-	(3,572)	211,719	215,289
-	3,572	1,520,843	1,517,271
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,732,562</u>	<u>\$ 1,732,560</u>

VILLAGE OF SUFFERN
Comparative Balance Sheet
Sewer Fund
May 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 43,245	\$ 53,842
Receivables		
Sewer rents receivable	713,065	885,406
Due from other funds	<u>1,912,600</u>	<u>1,536,232</u>
Total assets	<u>\$ 2,668,910</u>	<u>\$ 2,475,480</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 76,309	\$ 53,847
Accrued liabilities	15,004	18,178
Due to other funds	30,459	25,894
Advances from other funds	1,900,000	1,900,000
Due to retirement systems	<u>12,249</u>	<u>10,329</u>
Total liabilities	<u>2,034,021</u>	<u>2,008,248</u>
 Total fund balance	<u>634,889</u>	<u>467,232</u>
 Total liabilities and fund balance	<u>\$ 2,668,910</u>	<u>\$ 2,475,480</u>

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VILLAGE OF SUFFERN

Sewer Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income				
Sewer fees	\$ 2,826,110	\$ 2,826,110	\$ 2,468,749	\$ (357,361)
Penalties	20,000	20,000	56,810	36,810
Use of money and property	-	-	111	111
Miscellaneous revenue	5,500	-	15,924	15,924
Total revenues	<u>2,851,610</u>	<u>2,846,110</u>	<u>2,541,594</u>	<u>(304,516)</u>
EXPENDITURES				
Home and community services				
Wastewater administration	350,973	350,973	333,161	17,812
Wastewater treatment	1,326,892	1,363,872	1,072,518	291,354
Contingency	100,000	100,000	-	100,000
Total home and community services	<u>1,777,865</u>	<u>1,814,845</u>	<u>1,405,679</u>	<u>409,166</u>
Employee benefits				
NYS employees retirement system	78,161	78,161	75,251	2,910
Social security and medicare	42,400	44,900	41,410	3,490
MTA commuter tax	1,819	1,819	1,215	604
Workers' compensation insurance	29,800	29,800	25,345	4,455
Health and dental insurance	200,607	192,607	166,651	25,956
Life insurance	1,200	1,200	1,142	58
Total employee benefits	<u>353,987</u>	<u>348,487</u>	<u>311,014</u>	<u>37,473</u>
Debt service				
Bond anticipation notes - principal	96,921	92,509	33,000	59,509
Bond anticipation notes - interest	-	4,412	4,411	1
Total debt service	<u>96,921</u>	<u>96,921</u>	<u>37,411</u>	<u>59,510</u>
Total expenditures	<u>2,228,773</u>	<u>2,260,253</u>	<u>1,754,104</u>	<u>506,149</u>
Excess (deficiency) of revenues over expenditures	<u>622,837</u>	<u>585,857</u>	<u>787,490</u>	<u>201,633</u>
OTHER FINANCING SOURCES (USES)				
Transfer in - general fund	-	-	3,000	(3,000)
Transfer in - capital projects fund	-	-	-	-
Transfer out - debt service fund	(622,837)	(622,837)	(622,833)	4
Transfer out - capital projects fund	-	-	-	-
Total other financing sources (uses)	<u>(622,837)</u>	<u>(622,837)</u>	<u>(619,833)</u>	<u>(2,996)</u>
NET CHANGE IN FUND BALANCE	-	(36,980)	167,657	198,637
Fund balance (deficit) - beginning	-	36,980	467,232	430,252
Fund balance (deficit) - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634,889</u>	<u>\$ 628,889</u>

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,795,109	\$ 2,795,109	\$ 2,585,296	\$ (209,813)
20,000	20,000	64,577	44,577
-	-	12	12
5,500	5,500	7,952	2,452
<u>2,820,609</u>	<u>2,820,609</u>	<u>2,657,837</u>	<u>(162,772)</u>
329,942	311,922	309,640	2,282
1,371,598	1,393,518	1,057,803	335,715
100,000	100,000	-	100,000
<u>1,801,540</u>	<u>1,805,440</u>	<u>1,367,443</u>	<u>437,997</u>
68,318	68,710	72,145	(3,435)
35,700	40,808	40,807	1
1,600	1,600	844	756
29,800	29,800	25,363	4,437
192,420	208,120	177,598	30,522
5,700	5,700	1,095	4,605
<u>333,538</u>	<u>354,738</u>	<u>317,852</u>	<u>36,886</u>
71,620	99,672	99,672	-
11,148	11,148	1,147	10,001
<u>82,768</u>	<u>110,820</u>	<u>100,819</u>	<u>10,001</u>
<u>2,146,226</u>	<u>2,171,326</u>	<u>1,686,442</u>	<u>484,884</u>
<u>674,383</u>	<u>649,283</u>	<u>971,395</u>	<u>322,112</u>
-	-	-	-
-	169,355	169,355	-
(602,763)	(602,763)	(603,242)	(479)
(71,620)	(99,672)	(99,672)	-
<u>(674,383)</u>	<u>(533,080)</u>	<u>(533,559)</u>	<u>(479)</u>
-	116,203	437,836	321,633
-	-	29,396	145,599
<u>\$ -</u>	<u>\$ 116,203</u>	<u>\$ 467,232</u>	<u>\$ 467,232</u>

VILLAGE OF SUFFERN
Capital Projects Fund
Comparative Balance Sheet
May 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 824,079	\$ 1,717,939
Cash with fiscal agent	-	4,874
Investments - unrestricted	586,356	174,598
Receivables		
Due from other funds	<u>30,374</u>	<u>25,501</u>
Total assets	<u><u>\$ 1,440,809</u></u>	<u><u>\$ 1,922,912</u></u>
 LIABILITIES AND FUND BALANCE		
Accounts payable	\$ 748,452	\$ 2,462,244
Due to other funds	1,077,828	1,007,995
Bond anticipation notes payable	<u>8,500,048</u>	<u>2,847,805</u>
Total liabilities	<u>10,326,328</u>	<u>6,318,044</u>
 Total fund balance (deficit)	 <u>(8,885,519)</u>	 <u>(4,395,132)</u>
 Total liabilities and fund balance	 <u><u>\$ 1,440,809</u></u>	 <u><u>\$ 1,922,912</u></u>

VILLAGE OF SUFFERN
Capital Projects Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance
For the Years Ended May 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
REVENUES		
State aid	\$ 389,634	\$ 1,526,761
Federal aid	2,319,352	367,123
BANs redeemed from appropriations	<u>33,000</u>	<u>-</u>
Total revenues	<u>2,741,986</u>	<u>1,893,884</u>
EXPENDITURES		
Capital outlay	<u>7,834,197</u>	<u>8,876,024</u>
Deficiency of revenues over expenditures	<u>(5,092,211)</u>	<u>(6,982,140)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	-	2,480,000
Premium on bonds issued	-	222,529
Transfer in	877,677	1,136,059
Transfers out	<u>(275,853)</u>	<u>(498,484)</u>
Total other financing sources	<u>601,824</u>	<u>3,340,104</u>
Net change in fund balance	(4,490,387)	(3,642,036)
Fund balance (deficit) - beginning	<u>(4,395,132)</u>	<u>(753,096)</u>
Fund balance (deficit) - ending	<u>\$ (8,885,519)</u>	<u>\$ (4,395,132)</u>

VILLAGE OF SUFFERN

Capital Projects Fund

Project-Length Schedule

Inception of Project Through May 31, 2023

Project	Authorization	Revenues	Expenditures
2019-006 2019 DPW Backhoe	\$ 150,000	\$ 125,000	\$ 128,528
2019-007 2019 WWTP Modifications	12,240,000	1,365,000	10,259,046
2020-003 2020 Parking Lot B Repaving	470,250	410,250	303,114
2020-008 2020 Fire Truck	875,000	875,001	837,376
2021-001 2021 Police Car & Cameras	127,816	127,816	86,185
2021-002 2021 Garbage Truck with Plow	245,000	245,000	233,395
2021-004 2021 Road Improvement Phase 11	1,207,381	1,050,381	1,130,892
2021-005 2021 GOSR NYCR0255 Water Wells	3,734,665	1,968,019	2,423,501
2021-006 2021 GOSR NYCR0256 Generators	476,753	412,517	416,075
2021-007 2021 ARPA Local Recovery Funds	1,128,920	-	388,171
2022-001 2022 Water Meters & AMR	1,500,000	-	13,574
2022-002 2022 Garbage Truck with Plow	250,000	-	-
2022-003 2022 Fire ATV with Trailer	50,000	50,000	50,722
2022-004 2022 Water Wells Generator	650,000	-	43,388
2022-005 2022 Water PFAS System	550,000	-	38,184
2022-006 2022 LED Streetlights	700,000	-	13,576
2023-001 2023 Police Cars	186,822	-	53,824
2023-002 2023 Road Improvements Phase 12	700,000	214,635	625,225
2023-003 2023 Firehouses Parking Lots	210,000	-	78,757
2023-004 2023 Water Iron Manganese Filter	2,000,000	-	404
2023-005 2023 West Maple Ave Sidewalks	350,000	-	16,016
Totals	\$ 27,802,607	\$ 6,843,619	\$ 17,139,953

Transfers	Fund Balance		BANs Outstanding
	2023	2022	
\$ 3,528	\$ -	\$ (103,528)	\$ -
33,000	(8,861,046)	(4,601,806)	8,500,048
60,000	167,136	265,026	-
(37,625)	-	37,624	-
(41,631)	-	11,164	-
(11,605)	-	243,934	-
80,511	-	76,489	-
-	(455,482)	(317,054)	-
-	(3,558)	(167,371)	-
953,712	565,541	172,314	-
-	(13,574)	(774)	-
57,014	57,014	57,014	-
722	-	694	-
-	(43,388)	(17,098)	-
-	(38,184)	(38,184)	-
-	(13,576)	(13,576)	-
186,822	132,998	-	-
76,367	(334,223)	-	-
-	(78,757)	-	-
-	(404)	-	-
50,000	33,984	-	-
<u>\$ 1,410,815</u>	<u>\$ (8,885,519)</u>	<u>\$ (4,395,132)</u>	<u>\$ 8,500,048</u>

VILLAGE OF SUFFERN
Debt Service Fund
Comparative Balance Sheet
May 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 612,886	\$ 9,543
Due from other funds	<u>48,355</u>	<u>25,588</u>
Total assets	<u>\$ 661,241</u>	<u>\$ 35,131</u>
 FUND BALANCE	 <u>\$ 661,241</u>	 <u>\$ 35,131</u>

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VILLAGE OF SUFFERN

Debt Service Fund

Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Years Ended May 31, 2023 and 2022

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of money and property	\$ -	\$ -	\$ 3,343	\$ 3,343
Total revenues	-	-	3,343	3,343
EXPENDITURES				
Serial bonds - principal	1,035,002	1,035,002	1,035,000	2
Serial bonds - interest	351,882	351,882	351,878	4
Total expenditures	1,386,884	1,386,884	1,386,878	6
Excess (deficiency) of revenues over expenditures	(1,386,884)	(1,386,884)	(1,383,535)	3,349
OTHER FINANCING SOURCES				
Transfer in - general fund	700,189	1,300,189	1,300,188	(1)
Transfer in - water fund	63,858	63,858	63,857	(1)
Transfer in - sewer fund	622,837	622,837	622,833	(4)
Transfer in - capital projects fund	-	11,162	22,767	11,605
Total other financing sources	1,386,884	1,998,046	2,009,645	11,599
Net change in fund balance	-	611,162	626,110	14,948
Fund balance - beginning	-	-	35,131	8,322
Fund balance - ending	\$ -	\$ 611,162	\$ 661,241	\$ 23,270

2022			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 13	\$ 13
-	-	13	13
910,501	910,501	910,501	-
280,565	280,565	281,042	(477)
1,191,066	1,191,066	1,191,543	(477)
(1,191,066)	(1,191,066)	(1,191,530)	(464)
64,482	64,482	64,481	(1)
523,821	549,409	549,408	(1)
602,763	602,763	603,242	479
-	1,221	1,221	-
1,191,066	1,217,875	1,218,352	477
-	26,809	26,822	13
-	-	8,309	8,309
\$ -	\$ 26,809	\$ 35,131	\$ 8,322

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SINGLE AUDIT SECTION - FEDERAL PROGRAMS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Suffern as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Village of Suffern's basic financial statements, and have issued our report thereon dated January 4, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Suffern's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Suffern's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Suffern's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Suffern's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of the report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Berard & Associates CPA's PC". The signature is written in a cursive, flowing style.

Berard & Associates CPA's P.C.
January 4, 2024



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited the Village of Suffern's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Village of Suffern's major federal programs for the year ended May 31, 2023. The Village of Suffern's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Village of Suffern's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Suffern's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Village of Suffern's compliance.

Opinion on Each Major Federal Program

In our opinion, the Village of Suffern complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended May 31, 2023.

Report on Internal Control Over Compliance

Management of the Village of Suffern's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village of Suffern's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village of Suffern's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Berard & Associates CPA'S PC". The signature is written in a cursive, flowing style.

Berard & Associates CPA'S P.C.
January 4, 2024

Village of Suffern, New York
Schedule of Expenditures of Federal Awards
Fiscal Year Ended May 31, 2023

Federal Grantor Pass-Through Grantor Program Title	Assistance Listing Number	Pass-Through Entity Identification Number	Pass-Through To Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
Housing Trust Fund - Governors Office of Storm Recovery				
Community Development Block Grants Disaster Recovery				
- Hardening of Water Wells #2 and #4	14.269	NYCR 0255	- \$	1,741,410
Community Development Block Grants Disaster Recovery				
- Backup Power for Critical Facilities	14.269	NYCR 0256	-	198,347
County of Rockland				
Community Development Block Grants/Entitlement Grants	14.218	FY 2018 CDBG	-	70,250
Community Development Block Grants/Entitlement Grants	14.218	FY 2019 CDBG	-	100,000
U.S. Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027		-	124,267
U.S. Department of Homeland Security				
NYS Division of Homeland Security and Emergency Services				
Disaster Grants - Public Assistance - Storm Isaias	97.036	4567DRNY	-	11,033
U.S. Department of Justice				
Patrick Leahy Bulletproof Vest Partnership (BVP) Program	16.607		-	379
Total Expenditures of Federal Awards			\$	2,245,686

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Village of Suffern, New York ("Village") under programs of the federal government for the year ended May 31, 2023. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in net position or cash flows of the Village.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 - Indirect Cost Rate

The Village has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - Subrecipients

No amounts were provided to subrecipients.

VILLAGE OF SUFFERN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED MAY 31, 2023

SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- | | | |
|--|------------------------------|--|
| • Material weakness(es) identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • Significant deficiencies identified that are not considered to be material weakness(es)? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • Noncompliance material to consolidated financial statements noted? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Federal awards:

Internal control over each major program:

- | | | |
|--|------------------------------|--|
| • Material weakness(es) identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • Significant deficiencies identified that are not considered to be material weakness(es)? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Type of auditor's report issued on compliance for the major programs.

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Subpart F, section 200.516(a) of the Uniform Guidance?

☐ Yes ☒ No

Identification of major federal programs:

Community Development Block Grants Disaster Recovery – ALN #14,269

Dollar threshold used to distinguish types A and B programs.

\$ 750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

FINDINGS-FINANCIAL STATEMENT AUDIT

There were no findings or questioned costs.

PRIOR YEAR FINDINGS-FINANCIAL STATEMENT AUDIT

A single audit was not required in the prior year

