

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 50,063
Public Safety	442,947
Transportation	215,012
Culture and Recreation	16,226
Home and Community Service	<u>339,971</u>
Total Depreciation Expense	<u>\$ 1,064,219</u>

C. Accrued Liabilities

Accrued liabilities at May 31, 2014 were as follows:

	Fund			Total
	General	Water	Sewer	
Payroll and Employee Benefits	\$ 98,025	\$ 7,483	\$ 6,784	\$ 112,292

D. Employee Pension Plans

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

Funding Policy - The Systems are non-contributory except for employees in tier 3 and 4 that have less than ten years of service, who contribute 3% of their salary, employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2014 are as follows:

	Tier/Plan	Rate
ERS	1 75I	28.5 %
	2 75I	26.0
	3 A14	20.8
	4 A15	20.8
	5 A15	16.7
	6 A15	11.3

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

PFRS	2 375I	20.3
	2 384D	28.4
	5 384D	27.1

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

	<u>ERS</u>	<u>PFRS</u>
2014	\$ 509,871	\$ 773,193
2013	615,992	650,000
2012	369,209	627,112

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

The current PFRS contribution was charged to the General Fund. The current ERS contribution for the Village was charged to the funds identified below:

<u>Fund</u>	<u>Amount</u>
General	\$ 335,367
Water	94,766
Sewer	<u>79,738</u>
	<u>\$ 509,871</u>

E. Pension Trust - Fire Service Awards Program

The Village, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18, and upon earning a year of service credit, under the Suffern Fire Department Program Point System, during a calendar year, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning a year of service credit), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum monthly service award of \$500 for 25 or more years of earned service credits. The Program also provides disability and death benefits. The trustees of the Program, who are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles. Separate financial statements are not issued by the Program.

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2013</u>
Retirees and beneficiaries currently receiving benefits	17
Terminated members entitled to but not yet receiving benefits	17
Active - nonvested	45
Active - vested	50

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The asset valuation method is fair value. The assumed investment rate of return is 6.0% and there are no cost of living adjustments.

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

2014	\$ 139,971
2013	136,934
2012	139,964

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

F. Short-Term Non-Capital Borrowings – Revenue and Bond Anticipation Notes

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance June 1, 2013</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance May 31, 2014</u>
Revenue anticipation note	2013	-	-	\$ 1,350,000	-	\$ 1,350,000	-
Revenue anticipation note	2014	07/11/14	2.07	-	1,350,000	-	1,350,000
Revenue anticipation note	2014	07/11/14	3.05	-	600,000	-	600,000
Bond anticipation note Legal Settlement	2012	10/24/14	2.07	200,000	-	50,000	150,000
				<u>\$ 1,550,000</u>	<u>\$ 1,950,000</u>	<u>\$ 1,400,000</u>	<u>\$ 2,100,000</u>

Interest expenditures of \$9,851 were recorded in the fund financial statements in the Water and Sewer Funds. Interest expense of \$4,375 was recorded in the government-wide financial statements for governmental activities.

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

G. Short-Term Capital Borrowings – Bond Anticipation Notes

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance at June 1, 2013	New Issues	Redemptions	Balance at May 31, 2014
Bond anticipation note							
Various equipment and curb repaving	2009	-	- %	\$ 42,568	\$ -	\$ 42,568	\$ -
Building improvements	2009	-	-	93,300	-	93,300	-
Road repairs and firehouse	2010	-	-	58,750	-	58,750	-
Fire truck	2010	10/31/14	2.06	315,000	-	157,500	157,500
Water tower painting	2010	09/19/14	2.32	71,025	-	23,675	47,350
Sewer digestive cover	2011	12/05/14	2.05	487,500	-	162,500	325,000
Utility truck	2012	04/10/15	1.50	25,000	-	6,250	18,750
Equipment fire/police	2012	04/10/15	1.50	479,000	-	119,750	359,250
Road improvements	2013	01/23/15	2.31	438,600	-	-	438,600
Well 4 and well 1 modifications	2013	01/23/15	2.31	62,000	-	-	62,000
Various	2014	12/19/14	2.10	-	449,229	-	449,229
Sewer study	2014	12/19/14	2.10	-	50,000	-	50,000
				<u>\$ 2,072,743</u>	<u>\$ 499,229</u>	<u>\$ 664,293</u>	<u>\$ 1,907,679</u>

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2013	New Issues	Redemptions	Balance May 31, 2014
Revenue anticipation note Lonergan Avenue Project	2014	07/03/14	2.25 %	\$ -	\$ 1,350,000	\$ -	\$ 1,350,000

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are accounted for in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$39,123 were recorded in the fund financial statements in the funds identified below. Interest expense of \$38,097 was recorded in the government-wide financial statements for governmental activities.

Fund	Amount
General	\$ 26,858
Water	4,526
Sewer	7,739
	<u>\$ 39,123</u>

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

H. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2014:

	Balance June 1, 2013	Prior Period Adjustment	Balance June 1, 2013	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2014	Due Within One Year
Bonds payable	\$ 6,615,000	\$ -	\$ 6,615,000	\$ -	\$ 575,000	\$ 6,040,000	\$ 800,000
Retirement Incentives and Other Pension Obligations	-	332,468	332,468	495,366	30,256	797,578	73,169
Compensated absences	1,012,620	-	1,012,620	240,055	101,000	1,151,675	115,000
Net pension obligation	148,655	(148,655)	-	-	-	-	-
Other post employment benefit obligation payable	3,213,330	-	3,213,330	1,375,806	689,940	3,899,196	-
	<u>\$ 10,989,605</u>	<u>\$ 183,813</u>	<u>\$ 11,173,418</u>	<u>\$ 2,111,227</u>	<u>\$ 1,396,196</u>	<u>\$ 11,888,449</u>	<u>\$ 788,169</u>

Each governmental fund's liability for compensated absences, net pension obligation and other post employment benefit obligations is liquidated by the respective fund. The Village's indebtedness for bonds is satisfied by the Debt Service Fund, which is funded primarily from the General, Water and Sewer Funds.

Bonds Payable

Bonds payable at May 31, 2014 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2014
Various General, Water and Sewer Improvements	2002	1,988,000	October, 2014	3.25-4.00 %	\$ 205,000
Various General and Water Improvements	2007	3,450,000	August, 2022	3.75-4.20	2,320,000
Various General, Water and Sewer Improvements	2012	3,857,000	January, 2032	2.50-4.00	3,515,000
					<u>\$ 6,040,000</u>

Interest expenditures of \$229,495 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$251,087 was recorded in the government-wide financial statements for governmental activities.

Retirement Incentives and Other Pension Obligations

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

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Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

option was \$211,050, including interest of \$31,020. In 2014 the total amount amortized under this option was \$600,740, including interest of \$105,374. In the current year \$30,256 was paid for this obligation. The balance due at December 31, 2014 was \$797,578.

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

Payments to Maturity

The annual requirements to amortize all outstanding bonds at May 31, 2014, including interest payments of \$1,881,217 are as follows:

Year Ending May 31,	Bonds Payable		Retirement Incentives and Other Pension Obligations		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 600,000	\$ 208,645	\$ 73,169	\$ 28,279	\$ 673,169	\$ 236,924
2016	400,000	191,270	75,758	25,690	475,758	216,960
2017	405,000	177,695	78,439	23,009	483,439	200,704
2018	420,000	163,845	81,216	20,232	501,216	184,077
2019	420,000	149,406	84,091	17,357	504,091	166,763
2020-2024	2,040,000	513,572	404,905	40,692	2,444,905	554,264
2025-2029	1,035,000	263,125	-	-	1,035,000	263,125
2030-2032	720,000	58,400	-	-	720,000	58,400
	<u>\$ 6,040,000</u>	<u>\$ 1,725,958</u>	<u>\$ 797,578</u>	<u>\$ 155,259</u>	<u>\$ 6,837,578</u>	<u>\$ 1,881,217</u>

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

Compensated Absences

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

Village of Suffern, New York

Notes to Financial Statements (Continued)
May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

I. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In		Total
	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ 414,175	\$ 528,164	\$ 942,339
Water Fund	123,225	36,282	159,507
Sewer Fund	162,500	232,048	394,548
	<u>\$ 699,900</u>	<u>\$ 796,494</u>	<u>\$ 1,496,394</u>

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

Other Post Employment Benefit Obligations

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

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

Village of Suffern, New York

Notes to Financial Statements (Continued)

May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Village is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post-retirement benefits are as follows:

<u>Year Ended May 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>
2016	8.00	8.00
2017	7.50	7.50
2018	7.00	7.00
2019	6.50	6.50
2020	6.00	6.00
2021	5.50	5.50
2022+	5.00	5.00

The amortization basis is the level dollar method with an open amortization approach with 25 years remaining in the amortization period. The actuarial assumptions include a 4.0% investment rate of return. The Village currently has no assets set aside for the purpose of paying post-employment benefits. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of May 31, 2014 was as follows:

Active Employees	70
Retired Employees	<u>59</u>
	<u>129</u>

Village of Suffern, New York

Notes to Financial Statements (Continued)
May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component	
Actuarial Accrued Liability as of June 1, 2013	\$ 23,702,741
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 23,702,741</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 7,011,283</u>
UAAL as a Percentage of Covered Payroll	<u>338%</u>
Annual Required Contribution	\$ 1,350,099
Interest on Net OPEB Obligation	25,707
Adjustments to Annual Required Contribution	-
Annual OPEB Cost	1,375,806
Contributions Made	<u>(689,940)</u>
Increase in Net OPEB Obligation	685,866
Net OPEB Obligation - Beginning of Year	<u>3,213,330</u>
Net OPEB Obligation - End of Year	<u>\$ 3,899,196</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and preceding year is as follows:

<u>Fiscal Year Ended May 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 1,375,806	50.1 %	\$ 3,899,196
2013	1,328,774	51.6	3,213,330
2012	1,283,840	51.6	2,570,664

J. Net Position

The components of net position are detailed below:

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

Village of Suffern, New York

Notes to Financial Statements (Continued)
 May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

K. Fund Balances

	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Other Governmental Fund	Total
Nonspendable						
Prepaid expenditures	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ 400
Long term receivable	175,000	-	-	-	-	175,000
Total Nonspendable	175,400	-	-	-	-	175,400
Restricted						
Law enforcement	15,350	-	-	-	-	15,350
DARE	32,258	-	-	-	-	32,258
Debt service	-	-	-	-	1,058	1,058
Parklands	-	-	-	-	6,086	6,086
Total Restricted	47,608	-	-	-	7,144	54,752
Unassigned						
Purchases on order						
General government support	853	-	-	-	-	853
Public safety	74,533	-	-	-	-	74,533
Transportation	19,627	-	-	-	-	19,627
Culture and recreation	15,800	-	-	-	-	15,800
Home and community services	-	25,295	12,020	-	-	37,315
	110,813	25,295	12,020	-	-	148,128
Other	(1,369,985)	(458,744)	(1,091,794)	(1,748,849)	-	(4,669,372)
Total Unassigned	(1,259,172)	(433,449)	(1,079,774)	(1,748,849)	-	(4,521,244)
Total Fund Balances (Deficits)	\$ (1,036,164)	\$ (433,449)	\$ (1,079,774)	\$ (1,748,849)	\$ 7,144	\$ (4,291,092)

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

Prepaid expenditures has been established to account for payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Village of Suffern, New York

Notes to Financial Statements (Continued)
May 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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

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

Purchases on order are unassigned and represent the Village's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

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

B. Contingencies

The Village participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements will be established at a future date. The amount of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains workers' compensation and general liability policies of \$100,000 per occurrence and \$500,000 in the aggregate for workers' compensation and \$1 million per occurrence and \$3 million in the aggregate for general liability. The Village also has an umbrella policy which provides an additional \$5 million in coverage. The Village purchases conventional medical insurance coverage.

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Notes to Financial Statements (Concluded)
May 31, 2014

Note 5 - Subsequent Event

The Village, on November 20, 2014, issued a \$1,196,000 bond anticipation note for various purposes. The note matures on November 20, 2015 and bears interest at a rate of 2.25% per annum.

The Village, on October 24, 2014, issued a \$100,000 bond anticipation note for the payment of an award in a proceeding brought under the Religious Land Use and Institutional Persons Act. The note matures on October 23, 2015 and bears interest at a rate of 2.07% per annum.

The Village, on December 5, 2014, issued a \$162,500 bond anticipation note for the replacement of a secondary digestive cover at the Wastewater Treatment Plant. The note matures on December 4, 2015 and bears interest at a rate of 2.40% per annum.

The Village, on September 19, 2014, issued a \$23,675 bond anticipation note for the improvements to Village water towers. The note matures on September 18, 2015 and bears interest at a rate of 1.85% per annum.

The Village, on January 1, 2015 dissolved the Suffern Parking Authority and absorbed its operations within the General Fund.

The Village, on April 10, 2015 issued a \$252,000 bond anticipation note for various capital projects. The note matures on April 8, 2016 and bears interest at a rate of 2.20% per annum.

The Village, on December 18, 2014, issued an \$874,679 bond anticipation note for various capital projects. The note matures on November 20, 2015 and bears interest at a rate of 2.00% per annum.

The Village, on February 27, 2015, issued a \$345,000 revenue anticipation note for the receipt of certain revenues. The note matures on February 26, 2016 and bears interest at a rate of 3.125% per annum.

The Village, on February 27, 2015, issued a \$600,000 budget note to provide funds for expenditures for which insufficient or no provisions has been made in the annual budget. The note matures on February 26, 2016 and bears interest at a rate of 3.000% per annum

The Village, on February 27, 2015, issued a \$600,000 budget note to finance a deficiency arising from revenues being less than the amount estimated in the annual budget. The note matures on February 26, 2016 and bears interest at a rate of 3.000% per annum

Village of Suffern, New York

Required Supplementary Information - Schedule of Funding Progress
 Other Post Employment Benefits
 Last Two Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
June 1, 2012	\$ -	\$ 23,702,741	\$ 23,702,741	- %	\$ 7,011,283	338.07 %
June 1, 2012	-	22,951,390	22,951,390	-	7,468,167	307.32

Village of Suffern, New York

Supplementary Information - Schedule of Funding Progress
Pension Trust Fund - Fire Service Awards Program
Last Six Fiscal Years

<u>Actuarial Valuation Date December 31,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
2008	\$ 757,989	\$ 1,095,669	\$ 337,680	69.18 %
2009	936,278	1,284,453	348,175	72.89
2010	985,612	1,372,560	386,948	71.81
2011	1,062,251	1,476,940	414,689	71.92
2012	1,237,231	1,534,208	296,977	80.64
2013	1,303,202	1,604,282	301,080	81.23

Village of Suffern, New York

Supplementary Information - Schedule of Contributions
Pension Trust Fund - Fire Service Awards Program
Last Six Fiscal Years

<u>Year Ended May 31,</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
2009	\$ 131,392	\$ 131,392	100.00 %
2010	132,290	132,290	100.00
2011	140,196	140,196	100.00
2012	139,964	139,964	100.00
2013	136,934	136,934	100.00
2014	139,971	139,971	100.00

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Village of Suffern, New York

General Fund
Balance Sheet
May 31, 2014

ASSETS

Cash and equivalents	\$ 66,165
Receivables	
Accounts	371,644
State and Federal aid	251,931
Due from other governments	<u>28,611</u>
	<u>652,186</u>
Prepaid expenditures	<u>400</u>
Total Assets	<u><u>\$ 718,751</u></u>

LIABILITIES AND FUND DEFICIT

Liabilities	
Accounts payable	\$ 282,400
Accrued liabilities	98,025
Due to other funds	417,431
Unearned revenues	96,065
Retainage payable	84,826
Revenue anticipation notes payable	400,000
Bond anticipation notes payable	150,000
Due to retirement systems	<u>226,168</u>
Total Liabilities	<u>1,754,915</u>
Fund deficit	
Nonspendable	175,400
Restricted	47,608
Unassigned	<u>(1,259,172)</u>
Total Fund Balance	<u>(1,036,164)</u>
Total Liabilities and Fund Balance	<u><u>\$ 718,751</u></u>

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Village of Suffern, New York

General Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 8,887,592	\$ 8,887,592	\$ 8,883,534	\$ (4,058)
Other tax items	172,509	172,509	216,302	43,793
Non-property taxes	880,000	849,000	904,252	55,252
Departmental income	1,516,130	1,744,334	1,639,528	(104,806)
Use of money and property	9,600	40,600	36,900	(3,700)
Licenses and permits	421,000	421,000	70,097	(350,903)
Fines and forfeitures	362,000	362,000	151,465	(210,535)
Sale of property and compensation for loss	93,200	93,200	132,713	39,513
State aid	423,317	423,317	362,719	(60,598)
Miscellaneous	271,500	271,500	236,425	(35,075)
Total Revenues	13,036,848	13,265,052	12,633,935	(631,117)
EXPENDITURES				
Current				
General government support	1,196,755	1,196,754	1,257,818	(61,064)
Public safety	4,655,276	4,873,481	4,877,522	(4,041)
Health	9,600	9,600	9,600	-
Transportation	1,471,188	1,471,188	1,547,096	(75,908)
Culture and recreation	342,523	342,523	359,760	(17,237)
Home and community services	1,188,371	1,188,371	1,181,039	7,332
Employee benefits	3,321,953	3,296,346	3,350,829	(54,483)
Debt service				
Interest	29,054	29,054	26,858	2,196
Total Expenditures	12,214,720	12,407,317	12,610,522	(203,205)
Excess (Deficiency) of Revenues Over Expenditures	822,128	857,735	23,413	(834,322)
OTHER FINANCING SOURCES (USES)				
Bond anticipation notes issued	50,000	50,000	-	(50,000)
Transfers in	35,597	35,597	-	(35,597)
Transfers out	(984,990)	(1,020,597)	(942,339)	78,258
Total Other Financing Uses	(899,393)	(935,000)	(942,339)	(7,339)
Net Change in Fund Balance	(77,265)	(77,265)	(918,926)	(841,661)
FUND BALANCE (DEFICIT)				
Beginning of Year	77,265	77,265	(117,238)	(194,503)
End of Year	\$ -	\$ -	\$ (1,036,164)	\$ (1,036,164)

Village of Suffern, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
REAL PROPERTY TAXES	\$ 8,887,592	\$ 8,887,592	\$ 8,883,534	\$ (4,058)
OTHER TAX ITEMS				
Payments in lieu of taxes	155,509	155,509	180,164	24,655
Interest and penalties on real property taxes	17,000	17,000	36,138	19,138
	172,509	172,509	216,302	43,793
NON-PROPERTY TAXES				
Non-property tax distribution from County	450,000	450,000	492,107	42,107
Franchise fees and Utilities gross receipts taxes	430,000	399,000	412,145	13,145
	880,000	849,000	904,252	55,252
DEPARTMENTAL INCOME				
Inspection fees	79,000	79,000	52,045	(26,955)
Certificate of occupancy fees	20,000	20,000	18,750	(1,250)
Police services	10,000	223,204	269,596	46,392
Other public safety	98,000	98,000	20,954	(77,046)
Vital statistics fees	55,000	55,000	52,679	(2,321)
Public works	-	15,000	15,205	205
Zoning fees	5,000	5,000	2,570	(2,430)
Planning board fees	22,000	22,000	12,158	(9,842)
Pool fees	56,000	56,000	46,727	(9,273)
Other culture and recreation fees	3,000	3,000	10,949	7,949
Snow removal	11,000	11,000	-	(11,000)
Refuse and garbage charges	1,157,130	1,157,130	1,137,895	(19,235)
	1,516,130	1,744,334	1,639,528	(104,806)

USE OF MONEY AND PROPERTY

Earnings on investments	9,000	9,000	1,612	(7,388)
Rental of real property	600	31,600	35,288	3,688
	<u>9,600</u>	<u>40,600</u>	<u>36,900</u>	<u>(3,700)</u>

LICENSES AND PERMITS

Business and occupational licenses	2,000	2,000	1,170	(830)
Building permits	419,000	419,000	68,927	(350,073)
	<u>421,000</u>	<u>421,000</u>	<u>70,097</u>	<u>(350,903)</u>

FINES AND FORFEITURES

Fines and forfeited bail	362,000	362,000	151,465	(210,535)
	<u>362,000</u>	<u>362,000</u>	<u>151,465</u>	<u>(210,535)</u>

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	10,000	10,000	30,951	20,951
Sale of recyclables	1,200	1,200	7,584	6,384
Insurance recoveries	52,000	52,000	58,178	6,178
Other compensation for loss	30,000	30,000	36,000	6,000
	<u>93,200</u>	<u>93,200</u>	<u>132,713</u>	<u>39,513</u>

STATE AID

Per capita	86,717	86,717	96,963	10,246
Mortgage tax	110,000	110,000	141,337	31,337
Other transportation	12,000	12,000	-	(12,000)
Youth programs	2,600	2,600	587	(2,013)
Consolidated Highway Improvement Program	90,000	90,000	112,677	22,677
Emergency management assistance	100,000	100,000	-	(100,000)
Other	22,000	22,000	11,155	(10,845)
	<u>423,317</u>	<u>423,317</u>	<u>362,719</u>	<u>(60,598)</u>

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Village of Suffern, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
MISCELLANEOUS				
Refund of prior year's expenditures	\$ 5,000	\$ 5,000	\$ 3,836	\$ (1,164)
Gifts and donations	57,000	57,000	70,976	13,976
Parking Authority reimbursements	123,500	123,500	51,758	(71,742)
Other	86,000	86,000	109,855	23,855
	271,500	271,500	236,425	(35,075)
TOTAL REVENUES	13,036,848	13,265,052	12,633,935	(631,117)
OTHER FINANCING SOURCES				
Bond anticipation notes issued	50,000	50,000	-	(50,000)
Transfers in				
Capital Projects Fund	35,597	35,597	-	(35,597)
TOTAL OTHER FINANCING SOURCES	85,597	85,597	-	(85,597)
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 13,122,445	\$ 13,350,649	\$ 12,633,935	\$ (716,714)

Village of Suffern, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT SUPPORT				
Board of Trustees	\$ 43,500	\$ 43,500	\$ 66,799	\$ (23,299)
Village Justice	231,474	231,473	222,065	9,408
Mayor	30,000	30,000	32,788	(2,788)
Auditor	22,000	22,000	21,908	92
Treasurer	131,791	131,791	127,714	4,077
Clerk	152,727	152,727	155,861	(3,134)
Financial consultant	7,000	7,000	17,258	(10,258)
Assessment	12,753	12,753	12,752	1
Village Attorney	79,409	79,409	86,385	(6,976)
Shared services	166,205	166,205	161,310	4,895
Unallocated insurance	199,000	199,000	238,916	(39,916)
Municipal association dues	4,696	4,696	4,846	(150)
Judgments and claims	65,000	65,000	109,216	(44,216)
Metropolitan commuter transportation mobility tax	28,000	28,000	-	28,000
Contingency	23,200	23,200	-	23,200
	<u>1,196,755</u>	<u>1,196,754</u>	<u>1,257,818</u>	<u>(61,064)</u>
PUBLIC SAFETY				
Police Department	3,999,617	4,217,821	4,293,475	(75,654)
Fire Department	395,582	395,583	335,414	60,169
DARE	32,000	32,000	42,057	(10,057)
Safety inspection	228,077	228,077	206,576	21,501
	<u>4,655,276</u>	<u>4,873,481</u>	<u>4,877,522</u>	<u>(4,041)</u>
HEALTH				
Registrar of Vital Statistics	9,600	9,600	9,600	-

TRANSPORTATION

Street administration	32,093	32,093	34,990	(2,897)
Street maintenance	1,040,892	1,040,892	1,148,687	(107,795)
Snow removal	89,173	89,173	103,304	(14,131)
Street lighting	210,530	210,530	213,421	(2,891)
Parking	98,500	98,500	46,694	51,806

CULTURE AND RECREATION

Parks and playgrounds	1,471,188	1,471,188	1,547,096	(75,908)
Youth recreation	258,148	258,148	277,980	(19,832)
Historian	80,197	80,197	76,185	4,012
	4,178	4,178	5,595	(1,417)

HOME AND COMMUNITY SERVICES

Zoning Board	342,523	342,523	359,760	(17,237)
Planning Board	7,419	7,419	5,715	1,704
Refuse and garbage	23,822	23,822	55,505	(31,683)
	1,157,130	1,157,130	1,119,819	37,311

EMPLOYEE BENEFITS

State retirement	1,188,371	1,188,371	1,181,039	7,332
Police and fire retirement	300,000	300,000	284,334	15,666
Social security	715,000	715,000	773,193	(58,193)
Workers' compensation benefits	402,835	402,835	378,729	24,106
Life insurance	291,000	291,000	402,947	(111,947)
Unemployment benefits	37,448	37,448	46,085	(8,637)
Hospital and medical insurance	4,670	4,670	3,601	1,069
	1,571,000	1,545,393	1,461,940	83,453

	3,321,953	3,296,346	3,350,829	(54,483)
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Village of Suffern, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
DEBT SERVICE				
Interest				
Bond anticipation notes	\$ 29,054	\$ 29,054	\$ 26,858	\$ 2,196
TOTAL EXPENDITURES	<u>12,214,720</u>	<u>12,407,317</u>	<u>12,610,522</u>	<u>(203,205)</u>
OTHER FINANCING USES				
Transfers out				
Debt Service Fund	556,422	556,422	528,164	28,258
Capital Projects Fund	428,568	464,175	414,175	50,000
TOTAL OTHER FINANCING USES	<u>984,990</u>	<u>1,020,597</u>	<u>942,339</u>	<u>78,258</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 13,199,710</u>	<u>\$ 13,427,914</u>	<u>\$ 13,552,861</u>	<u>\$ (124,947)</u>

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Village of Suffern, New York

Water Fund
Balance Sheet
May 31, 2014

ASSETS

Cash and equivalents	\$ 54,118
Receivables	
Water rents	<u>739,384</u>
Total Assets	<u>\$ 793,502</u>

LIABILITIES AND FUND DEFICIT

Liabilities	
Accounts payable	\$ 38,915
Accrued liabilities	7,483
Revenue anticipation notes payable	950,000
Due to other funds	211,206
Due to retirement systems	<u>19,347</u>
Total Liabilities	1,226,951
Fund deficit	
Unassigned	<u>(433,449)</u>
Total Liabilities and Fund Deficit	<u>\$ 793,502</u>

Village of Suffern, New York

Water Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 1,782,746	\$ 1,782,746	\$ 1,751,660	\$ (31,086)
Use of money and property	700	700	282	(418)
Sale of property and compensation for loss	150	150	548	398
Miscellaneous	5,230	5,230	5,723	493
Total Revenues	<u>1,788,826</u>	<u>1,788,826</u>	<u>1,758,213</u>	<u>(30,613)</u>
EXPENDITURES				
Current				
Home and community services	1,272,874	1,272,874	1,161,492	111,382
Employee benefits	352,228	352,228	396,882	(44,654)
Debt service				
Interest	5,539	5,539	9,999	(4,460)
Total Expenditures	<u>1,630,641</u>	<u>1,630,641</u>	<u>1,568,373</u>	<u>62,268</u>
Excess of Revenues Over Expenditures	158,185	158,185	189,840	31,655
OTHER FINANCING USES				
Transfers out	(168,507)	(168,507)	(159,507)	9,000
Net Change in Fund Balance	(10,322)	(10,322)	30,333	40,655
FUND BALANCE (DEFICIT)				
Beginning of Year	10,322	10,322	(463,782)	(474,104)
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (433,449)</u>	<u>\$ (433,449)</u>

Village of Suffern, New York

Water Fund

Schedule of Revenues Compared to Budget
Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
DEPARTMENTAL INCOME				
Metered water sales	\$ 1,755,746	\$ 1,755,746	\$ 1,729,221	\$ (26,525)
Water service charges	15,000	15,000	3,150	(11,850)
Interest and penalties on water rents	12,000	12,000	19,289	7,289
	<u>1,782,746</u>	<u>1,782,746</u>	<u>1,751,660</u>	<u>(31,086)</u>
USE OF MONEY AND PROPERTY				
Earnings on investments	700	700	282	(418)
	<u>150</u>	<u>150</u>	<u>548</u>	<u>398</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Minor sales				
	5,230	5,230	5,723	493
MISCELLANEOUS				
Other				
	1,788,826	1,788,826	1,758,213	(30,613)
TOTAL REVENUES	<u>\$ 1,788,826</u>	<u>\$ 1,788,826</u>	<u>\$ 1,758,213</u>	<u>\$ (30,613)</u>

Village of Suffern, New York

Water Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
HOME AND COMMUNITY SERVICES				
Water administration	\$ 362,079	\$ 362,079	\$ 291,613	\$ 70,466
Source of supply, power and pumping	786,095	783,193	780,923	2,270
Transmission and distribution	124,700	127,602	88,956	38,646
	<u>1,272,874</u>	<u>1,272,874</u>	<u>1,161,492</u>	<u>111,382</u>
EMPLOYEE BENEFITS				
State retirement	82,000	82,000	94,766	(12,766)
Social security	41,017	41,017	42,342	(1,325)
Workers' compensation benefits	37,800	37,800	40,917	(3,117)
Hospital and medical insurance	189,311	189,311	217,140	(27,829)
Life insurance	2,100	2,100	1,717	383
	<u>352,228</u>	<u>352,228</u>	<u>396,882</u>	<u>(44,654)</u>
DEBT SERVICE				
Interest	5,539	5,539	4,526	1,013
Bond anticipation notes	-	-	5,473	(5,473)
Revenue anticipation notes	5,539	5,539	9,999	(4,460)
	<u>1,630,641</u>	<u>1,630,641</u>	<u>1,568,373</u>	<u>62,268</u>
TOTAL EXPENDITURES				
OTHER FINANCING USES				
Transfers out				
Debt Service Fund	36,282	36,282	36,282	-
Capital Projects Fund	132,225	132,225	123,225	9,000
	<u>168,507</u>	<u>168,507</u>	<u>159,507</u>	<u>9,000</u>
TOTAL OTHER FINANCING USES				
TOTAL EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 1,799,148</u>	<u>\$ 1,799,148</u>	<u>\$ 1,727,880</u>	<u>\$ 71,268</u>

Village of Suffern, New York

Sewer Fund
Balance Sheet
May 31, 2014

ASSETS	
Cash and equivalents	\$ 8,137
Receivables	
Accounts	3,500
Sewer rents	<u>659,867</u>
	<u>663,367</u>
	<u>\$ 671,504</u>
LIABILITIES AND FUND DEFICIT	
Liabilities	
Accounts payable	\$ 56,969
Accrued liabilities	6,784
Revenue anticipation notes payable	600,000
Due to other funds	1,070,904
Due to retirement systems	<u>16,621</u>
	1,751,278
Fund deficit	
Unassigned	<u>(1,079,774)</u>
	<u>\$ 671,504</u>

Village of Suffern, New York

Sewer Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income				
Sewer fees	\$ 1,652,077	\$ 1,652,077	\$ 1,530,585	\$ (121,492)
Penalties	1,000	1,000	159	(841)
	<u>1,653,077</u>	<u>1,653,077</u>	<u>1,530,744</u>	<u>(122,333)</u>
Use of money and property	400	400	58	(342)
Miscellaneous	7,054	7,054	6,814	(240)
	<u>1,660,531</u>	<u>1,660,531</u>	<u>1,537,616</u>	<u>(122,915)</u>
EXPENDITURES				
Current				
Home and community services	1,032,412	1,032,412	1,042,519	(10,107)
Employee benefits	258,051	258,051	264,992	(6,941)
Debt service				
Interest	7,654	7,654	12,117	(4,463)
	<u>1,298,117</u>	<u>1,298,117</u>	<u>1,319,628</u>	<u>(21,511)</u>
Excess of Revenues Over Expenditures	362,414	362,414	217,988	(144,426)
OTHER FINANCING SOURCES USES				
Transfers out	(366,290)	(366,290)	(394,548)	(28,258)
Net Change in Fund Balance	(3,876)	(3,876)	(176,560)	(172,684)
FUND BALANCE (DEFICIT)				
Beginning of Year	3,876	3,876	(903,214)	(907,090)
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,079,774)</u>	<u>\$ (1,079,774)</u>

Village of Suffern, New York

Sewer Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
HOME AND COMMUNITY SERVICES				
Sewage treatment and disposal	\$ 1,032,412	\$ 1,032,412	\$ 1,042,519	\$ (10,107)
EMPLOYEE BENEFITS				
State retirement	80,500	80,500	79,738	762
Social security	24,155	24,155	23,186	969
Workers' compensation benefits	20,500	20,500	22,167	(1,667)
Hospital and medical insurance	131,250	131,250	138,525	(7,275)
Life insurance	1,646	1,646	1,376	270
DEBT SERVICE				
Interest	258,051	258,051	264,992	(6,941)
Bond anticipation notes	7,654	7,654	7,739	(85)
Revenue anticipation notes	-	-	4,378	(4,378)
TOTAL EXPENDITURES	1,298,117	1,298,117	1,319,628	(21,511)
OTHER FINANCING USES				
Transfers out				
Debt Service Fund	203,790	203,790	232,048	(28,258)
Capital Projects Fund	162,500	162,500	162,500	-
TOTAL OTHER FINANCING USES	366,290	366,290	394,548	(28,258)
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 1,664,407	\$ 1,664,407	\$ 1,714,176	\$ (49,769)

Village of Suffern, New York

Capital Projects Fund
Balance Sheet
May 31, 2014

ASSETS

Cash and equivalents	\$ 125,361
Receivables	
State and Federal aid	129,058
Due from other funds	<u>1,700,937</u>
	<u>1,829,995</u>
Total Assets	<u>\$ 1,955,356</u>

LIABILITIES AND FUND DEFICIT

Liabilities	
Accounts payable	\$ 446,526
Revenue anticipation notes payable	1,350,000
Bond anticipation notes payable	<u>1,907,679</u>
Total Liabilities	3,704,205
Fund deficit	
Unassigned	<u>(1,748,849)</u>
Total Liabilities and Fund Deficit	<u>\$ 1,955,356</u>

Village of Suffern, New York

Capital Projects Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended May 31, 2014

REVENUES

State aid	\$ 129,058
Federal aid	1,029,124
Miscellaneous	<u>1,027</u>
Total Revenues	1,159,209

EXPENDITURES

Capital outlay	<u>3,184,986</u>
Deficiency of Revenues Over Expenditures	(2,025,777)

OTHER FINANCING SOURCES

Transfers in	<u>699,900</u>
Net Change in Fund Balance	(1,325,877)

FUND DEFICIT

Beginning of Year	<u>(422,972)</u>
End of Year	<u><u>\$ (1,748,849)</u></u>

Village of Suffern, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project Through May 31, 2014

Project	Authorization	Expenditures and Transfers	Unexpended Balance
Downtown Revitalization	\$ 1,139,939	\$ 1,139,939	\$ -
Water Department Improvements	287,600	270,000	17,600
2005 Building Improvements	119,450	160,428	(40,978)
Street Maintenance Equipment	72,725	65,622	7,103
Recreation Improvements	97,025	95,856	1,169
Water Supply Improvements	135,000	181,260	(46,260)
2006 Infra Red Heating System	35,000	19,713	15,287
Pavilion Pump Station	157,262	231,937	(74,675)
Flat Roof for Hook and Ladder	40,000	38,584	1,416
Street Drainage	20,000	7,633	12,367
Centrifuge Scroll Assembly	60,000	53,963	6,037
Sewer Line Flusher	220,000	219,799	201
Land Purchase	375,000	381,719	13,281
Road Improvements	220,000	195,558	24,442
Variable Frequency Drive for Well #3	20,000	7,585	12,415
Ultra Violet Lift Pump Purchase	11,898	11,898	-
Fire Department Cabinets	15,000	14,496	504
Road Improvements Contractual	2,970,000	3,003,914	(33,914)
Meter Reading System Upgrade	280,000	274,290	5,710
Leaf Vacuum	45,000	30,238	14,762
Ramapo Avenue Curb Repaving	145,000	68,158	76,842
Building Repairs Operational Center - 2009	350,000	388,530	(38,530)
Fire Equipment	35,300	34,852	448
Generator Street Department	10,000	-	10,000
Police Car	30,000	29,337	663
Water Fund Equipment	23,700	21,254	2,446
Crosswalks	129,687	138,564	(8,877)
Equipment Street Sweeper	148,000	148,000	-
Water Tower Painting	94,700	110,700	(16,000)
Fire Department Equipment	40,350	39,152	1,198
Waste Water Plant Upgrades	-	29,257	(29,257)
Fire Truck Pumper	630,000	615,448	14,552
Street Lighting	-	89,492	(89,492)
Fire Department Equipment	133,300	134,541	(1,241)
Police Car	32,784	32,534	250
Pumps Sewer Department	190,000	190,000	-
Utility Truck Box	50,000	49,374	626
Sewer Plant Improvements	2,500,000	2,057,344	442,656
Hook and Ladder Fire Truck	950,000	957,544	(7,544)
Digester Cover	487,401	487,401	-
Facade Improvement Program	160,000	205,073	(45,073)
Fire Equipment	83,755	88,950	(5,195)
Police Car	33,812	31,683	2,129
Snow Removal Equipment	11,000	11,000	-
Public Works Truck	100,000	114,999	(14,999)
Road Improvements	250,000	395,118	(145,118)
Equipment Utility Truck	25,000	24,421	579
Various Equipment	67,480	68,015	(535)
Automobile	30,000	28,830	1,170
Street Garage Roof	110,000	102,528	7,472
Roll-off Truck	95,000	95,000	-
Roadway Improvements	95,000	89,413	5,587
VFD Well No. 4	12,000	10,929	1,071
Well No. 1 Pump Modification	50,000	6,500	43,500
Police Car Digital Cameras	41,120	40,861	259
Lonergan Avenue Project	1,350,000	1,055,690	294,310
Fire Equipment - 2014	73,229	69,309	3,920
Roof Hose Company - 2014	60,000	68,062	(8,062)
Sewer Study - 2014	50,000	45,710	4,290
Police Vehicles - 2014	37,000	38,116	(1,116)
Road Improvements - 2014	279,000	276,979	2,021
Lafayette Theatre Drainage - 2014	10,000	-	10,000
Dona Hallett Park - 2014	25,607	-	25,607
Old Projects	-	6,484	(6,484)
Totals	\$ 15,350,124	\$ 14,879,584	\$ 470,540

Total Revenues	Fund Balance (Deficit) at May 31, 2014	Bond Anticipation Notes Outstanding at May 31, 2014
\$ 1,124,938	\$ (15,001)	\$ -
270,000	-	-
119,450	(40,978)	-
65,822	-	-
95,858	-	-
135,000	(46,280)	-
30,783	11,060	-
157,817	(74,320)	-
40,000	1,416	-
7,833	-	-
50,410	(3,553)	-
218,585	(1,214)	-
375,000	13,281	-
220,000	24,442	-
7,585	-	-
11,898	-	-
20,000	5,504	-
3,145,119	141,205	-
280,000	5,710	-
265	(29,973)	-
145,000	76,842	-
367,400	(21,130)	-
35,200	348	-
10,080	10,080	-
29,992	655	-
5,800	(15,454)	-
68,953	(69,611)	-
100,000	(48,000)	-
57,350	(53,350)	47,350
-	(39,152)	-
-	(29,257)	-
472,000	(143,448)	157,500
50,360	(39,132)	-
133,300	(1,241)	-
32,534	-	-
190,000	-	-
49,374	-	-
2,500,000	442,856	-
950,000	(7,544)	-
162,500	(324,901)	325,000
204,420	(853)	-
20,936	(68,014)	62,873
8,564	(23,119)	25,380
2,750	(8,250)	8,258
25,000	(89,999)	75,064
62,500	(332,618)	187,660
6,250	(18,171)	18,765
-	(68,015)	67,480
-	(28,830)	30,000
-	(102,528)	110,000
-	(95,000)	95,000
-	(89,413)	95,000
-	(10,929)	12,000
-	(6,500)	50,000
-	(40,861)	41,120
1,029,124	(26,566)	-
-	(89,309)	73,229
-	(68,062)	60,000
-	(45,710)	50,000
-	(38,116)	37,000
-	(276,979)	279,000
10,000	10,000	-
25,607	25,607	-
-	(6,484)	-
<u>\$ 13,130,735</u>	<u>\$ (1,748,849)</u>	<u>\$ 1,907,879</u>

Village of Suffern, New York

Combining Balance Sheet
Non-Major Governmental Funds
May 31, 2014

	Special Purpose Fund	Debt Service Fund	Total
ASSETS			
Cash and equivalents	\$ 142	\$ 8,398	\$ 8,540
Receivables			
Due from other funds	5,944	-	5,944
Total Assets	<u>\$ 6,086</u>	<u>\$ 8,398</u>	<u>\$ 14,484</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Due to other funds	\$ -	\$ 7,340	\$ 7,340
FUND BALANCES			
Restricted	6,086	1,058	7,144
Total Liabilities and Fund Balances	<u>\$ 6,086</u>	<u>\$ 8,398</u>	<u>\$ 14,484</u>

Village of Suffern, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2014

	Special Purpose Fund	Debt Service Fund	Total
REVENUES			
Use of money and property	\$ 112	\$ 675	\$ 787
EXPENDITURES			
Current			
Culture and recreation	43,187	-	43,187
Debt service			
Principal	-	575,000	575,000
Interest	-	229,495	229,495
Total Expenditures	43,187	804,495	847,682
Deficiency of Revenues Over Expenditures	(43,075)	(803,820)	(846,895)
OTHER FINANCING SOURCES			
Transfers in	-	796,494	796,494
Net Change in Fund Balances	(43,075)	(7,326)	(50,401)
FUND BALANCES			
Beginning of Year	49,161	8,384	57,545
End of Year	\$ 6,086	\$ 1,058	\$ 7,144

Village of Suffern, New York

Special Purpose Fund
Balance Sheet
May 31, 2014

ASSETS

Cash and equivalents	\$	142
Due from other funds		<u>5,944</u>

Total Assets	\$	<u><u>6,086</u></u>
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FUND BALANCE

Restricted	\$	<u><u>6,086</u></u>
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Village of Suffern, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Year Ended May 31, 2014

REVENUES

Use of money and property \$ 112

EXPENDITURES

Current
Culture and recreation 43,187

Deficiency of Expenditures Over Revenues (43,075)

FUND BALANCE

Beginning of Year 49,161

End of Year \$ 6,086

Village of Suffern, New York

Debt Service Fund
Balance Sheet
May 31, 2014

ASSETS

Cash and equivalents

\$ 8,398

LIABILITIES AND FUND BALANCE

Liabilities

Due to other funds

\$ 7,340

FUND BALANCE

Restricted

1,058

Total Liabilities and Fund Balance

\$ 8,398

Village of Suffern, New York

Debt Service Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Year Ended May 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of money and property	\$ -	\$ -	\$ 675	\$ 675
EXPENDITURES				
Serial bonds				
Principal	575,000	575,000	575,000	-
Interest	229,495	229,495	229,495	-
Total Expenditures	804,495	804,495	804,495	-
Deficiency of Revenues Over Expenditures	(804,495)	(804,495)	(803,820)	675
OTHER FINANCING SOURCES				
Transfers in	804,495	804,495	796,494	(8,001)
Net Change in Fund Balance	-	-	(7,326)	(7,326)
FUND BALANCE				
Beginning of Year	-	-	8,384	8,384
End of Year	\$ -	\$ -	\$ 1,058	\$ 1,058

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**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**

Independent Auditors' Report

**The Honorable Mayor and Board of Trustees
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, New York ("Village") as of and for the year ended May 31, 2014, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated August 7, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting ("internal control") to determine the 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Village'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.

Our consideration of 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'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*.

We noted certain matters that we reported to the management of the Village in a separate letter.

Purpose of this 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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
August 7, 2015

**Report on Compliance For Each Major Federal Program and Report on
Internal Control Over Compliance**

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

We have audited the Village of Suffern, New York's ("Village") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended May 31, 2014. The Village's major federal programs are identified in the summary of auditors' 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 federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Village'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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'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 of the Village's compliance.

Opinion on Each Major Federal Program

In our opinion, the Village 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 for the year ended May 31, 2014.

Report on Internal Control Over Compliance

Management of the Village 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'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 OMB Circular A-133, 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'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
August 7, 2015

Village of Suffern, New York

Schedule of Expenditures of Federal Awards
Year Ended May 31, 2014

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Homeland Security</u>		
Indirect Program - Passed through the New York State Division of Homeland Security and Emergency Services		
Hazard Mitigation Grant	97.039	<u>\$ 1,029,124</u>

(1) Catalog of Federal Domestic Assistance number.

The accompanying notes are an integral part of this schedule.

Village of Suffern, New York

Notes to Schedule of Expenditures of Federal Awards
May 31, 2014

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Village of Suffern ("Village") under programs of the federal government for the year ended May 31, 2014. 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 the Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments and Non-Profits Organizations*. 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 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 OMB Circular A-133, *Cost Principles for State, Local and Indian Tribal Governments*, which established principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments.

Village of Suffern, New York

Summary Schedule of Prior Audit Findings
Year Ended May 31, 2014

None

Village of Suffern, New York

Schedule of Findings and Questioned Costs
Year Ended May 31, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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97.039	Hazard Mitigation Grant
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Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes No

Village of Suffern, New York

Schedule of Findings and Questioned Costs (Continued)
Year Ended May 31, 2014

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None